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ABSTRACT

Uneven access to taxable real property wealth currently produces wide disparities in per pupil expenditures among New York state school districts. The state's operating aid formula does not compensate for the inequities in low wealth districts having an operating expense level of more than \$1,500 per pupil. In the last decade several proposals were suggested to equalize school district fiscal resources. Although school district consolidation has tended to reduce the variations in per pupil wealth, per pupil operating expenditures, and tax rates, large differences continue. The money that could be obtained from repeal of the minimum guarantees provided for the state's wealthiest districts is inadequate to equalize expenditures. Data presented here demonstrate that averaging per pupil wealth and per pupil expenditures on the basis of Boards of Cooperative Educational Service (BOCES) regions reduces the range in wealth and per pupil expenditures, thus justifying investigation of a regional tax base model. Variations in district spending for districts within a sample BOCES region were examined using both current law and the redistribution of 5 mill, 10 mill, and 15 mill regional tax levies. The least variation in per pupil expenditures occurred with a 15 mill regional tax distributed equally among school districts located with the BOCES region. (Author/JM)

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REDUCING THE VARIATIONS IN PER PUPIL OPERATING
EXPENSE AMONG NEW YORK STATE SCHOOL DISTRICTS
BY ENLARGING THE TAX BASE:
A REGIONAL TAX BASE MODEL

Uneven access to taxable real property wealth currently produces wide disparities in per pupil expenditures among the State's school districts. The purpose of this report is to investigate the merits of using a regional tax base to raise local revenue for the support of public schools.

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NEW YORK STATE BUDGET DIVISION

SEPTEMBER 1978

EA 011 405

FOREWORD

The recommendations of his 30-member Task Force on Aid to Education were forwarded to Governor Hugh L. Carey in a two-volume report during April 1975. The first volume of the report examined the system of State aid to the public elementary and secondary schools in the 1974-75 school year and contained nine specific recommendations for school finance reform. Accompanying these recommendations was a Task Force proposal calling for "a small working party or task force (to be) established by the Governor to conduct school finance studies."

To implement the recommendations from the Task Force on Aid to Education, Governor Carey sought and received a grant from the Ford Foundation in 1975. He also appointed a six-member panel of school finance specialists, chaired by Dr. Donna E. Shalala, to guide the Budget Division staff task force established to coordinate these school finance studies.

Funding for additional school finance studies was sought subsequently by the State Education Department from the U.S. Department of Health, Education and Welfare pursuant to Section 842(a)(1), Part D, Title VIII of the Education Amendments of 1974 (PL 93-380). A portion of these moneys has been used to continue the research efforts of the Budget Division staff task force.

The purpose of the current study is to examine the variations in taxable real property per pupil, approved operating aid expenditures per pupil, and tax yield accruing from a move to a regional tax base. School district computer run and computer tape data used in the study were provided by the State Education Department. Staff members of the State Board of Equalization and Assessment prepared numerous analytical reports on a regional and school district basis using the State Education Department computer tape data.

Persons employed by the Division of the Budget who assisted in the preparation of this Education Unit report were Christine A. Dascher, Program Assistant; Robert D. Hennigan, Research Assistant; Nancy A. Hoddick, Consultant; John J. Kaelin, Graduate Student Assistant; David McClumpha, Associate Budget Examiner; James E. Shea, Deputy Assistant for Education; and Lois J. Wilson, Special Assistant for Education. Antonia A. Bogardus and Catherine A. McElroy provided secretarial support.

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INTRODUCTION

STATEMENT OF THE PROBLEM

During the 1978-79 school year, New York State will distribute approximately \$3.4 billion in State aid to public elementary and secondary schools. Approximately \$2.5 billion, or about 73 percent, will be apportioned to 705 major school districts¹ by means of an operating aid formula designed to equalize expenditures up to \$1,500 per pupil.

State formula operating aid, exclusive of flat grant guarantees, is largely distributed to local school districts in inverse proportion to a district's wealth. In this formula the standard measure of a school district's wealth is full valuation of real property per pupil.²

Under the current system of school finance, variations in per pupil expenditures result from the fact that the State's 705 major school districts have uneven access to taxable real property and tax rates vary from district to district. In addition, the State Education Law provides for minimum per pupil guarantees -- i.e., flat grants which tend to negate the equalizing power of the operating aid formula. Thus, the level of public school programs (as measured by per pupil expenditures) varies from district to district.

One way to reduce the disparity in per pupil expenditures is to enlarge school district tax bases to achieve a more even distribution of taxable real property. The purpose of the present study is to examine the variations in per pupil expenditures produced by the use of a regional tax base and the use of a uniform regional full value tax rate to generate educational revenues.

FORMULA OPERATING AID FOR THE 1978-79 SCHOOL YEAR

In New York State, the operating aid formula employs an aid ratio which relates school district wealth, as measured by full valuation per pupil, to the State's average wealth per pupil. Since the State's average wealth per pupil is determined annually, the formula is self-adjusting.

¹ A major school district is one with eight or more teachers.

² Wealth total aidable pupil units (WTAPU) will be the pupil divisor used for the first time for apportioning operating aid in the 1978-79 school year. For a more detailed description of WTAPU, see the footnotes for Appendix Table B-1.

Two-Tier Option

The current operating aid formula has a two-tier option which will be the basis for allocating funds to 598 districts and four of New York City's five boroughs³ in the 1978-79 school year:

- The Tier 1 formula guarantees the State will share in a district's approved operating expense per pupil up to \$1,450. Under this tier, a school district of average wealth receives 49 percent of its approved operating costs up to \$1,450 per pupil from the State. High wealth districts receive proportionately less; low wealth districts, proportionately more.
- The Tier 2 formula provides additional aid for school districts spending between \$1,450 and \$1,500 per pupil. Under Tier 2, a district of average wealth receives 20 percent of its approved costs within these limits (i.e., a maximum of \$10 per pupil from the State). High wealth districts would receive proportionately less and low wealth districts, proportionately more. Districts with more than \$73,800 full value per pupil will not be eligible for Tier 2 aid in the 1978-79 school year.

Flat Grant Guarantees

Under current law for the 1978-79 school year, flat grant guarantees are available to 107 school districts and one New York City borough with more than \$86,000 full valuation per pupil. The minimum flat grant guarantee is \$360 per pupil, and it is available to districts with over \$101,000 full valuation per pupil. The flat grant guarantee for districts with \$86,000 full valuation per pupil is \$375.⁴ The most beneficial option for districts with less than \$86,000 full valuation per pupil is the two-tier formula option.

³ For the apportionment of operating aid, New York City is allowed to treat each of its five boroughs as a separate school district. Two sets of New York City data have been used in this report. Material presented on this page and in other discussions of formula aid for the City are based on aid claim estimates supplied to the State Education Department in August 1978 by the Office of Revenue Administration, New York City Board of Education. However, most of the comparative district rankings are based on New York City data as reported on a June 19, 1978 State Education Department tape. Tables specify the data source.

⁴ The flat grant guarantees for districts between \$86,000 and \$101,000 are tapered, so that they are reduced by \$1 for each \$1,000 increase in district full valuation per pupil. A district is guaranteed \$360 per pupil no matter how wealthy it is.

Relationship Between Tax Effort and Spending for Sample Districts
Under the 1978-79 Aid Formula

Formula operating aid per pupil and three alternative per pupil expense levels are shown in Table 1 for five school districts with different amounts of per pupil wealth. These data were calculated for each of three per pupil expense levels using the current two-tier aid ratio formula or flat grant guarantees. Wealth data were simulated for purposes of discussion and should not be interpreted as specific New York State school districts.

For districts with up to \$101,000 full value per pupil, State formula operating aid is largely allocated in inverse proportion to school district taxable real property per pupil -- i.e., State aid decreases as taxable property wealth increases. (See columns 1 and 2 of Table 1.) Moreover, the two-tier formula operates to allow districts with less than \$86,000 full value per pupil to spend \$1,500 per pupil with a full value tax rate of approximately \$13 per thousand. (See column 3 of Table 1.) Thus, the two-tier formula option equalizes the local tax effort of the three sample districts with per pupil full valuations ranging from \$20,000 to \$75,000. Flat grant guarantees are the basis on which formula aid (column 2) is generated for the two highest wealth districts.

Tax rates increase for all districts as the per pupil operating expense level increases beyond \$1,500 per pupil. However, the rate of increase is much faster for low wealth districts than high wealth districts. For example, in moving from a \$1,500 to a \$2,500 per pupil operating expense level, the high wealth district in Table 1 almost doubled its full value tax rate per thousand (\$5.70 to \$10.70), while the low wealth district nearly quintupled its tax rate (\$13.00 to \$63.00). For a low wealth district to levy such a high tax rate is clearly not a practical alternative.

Because of matching State aid, a \$13.00 per thousand full value tax rate in the low wealth district (\$20,000 full value per pupil) permits the district to have a per pupil operating expense level of \$1,500⁵-- even though such a tax rate only generates \$260 per pupil.⁵ Similarly, a district with \$75,000 full value

⁵ In these examples, it was assumed that all of the sample districts would receive the formula aid amounts shown in Column 2 of Table 1. However, under existing law for the 1978-79 school year, only an estimated 66 of the State's 705 districts will actually be paid their formula operating aid amounts. The other districts will either be capped -- which means receiving less than the formula operating aid amount, or they will be aided on a saveharmless basis -- which means receiving more than the formula operating aid amount.

TABLE 1

FULL VALUE TAX RATE PER THOUSAND DOLLARS REQUIRED FOR THREE LEVELS OF
OPERATING EXPENSE PER PUPIL, BY SCHOOL DISTRICTS WITH VARYING
FULL VALUATIONS PER PUPIL, 1978-79 SCHOOL YEAR

District Full Valuation ^a Per Pupil	State Formula Operating Aid ^b	Required Full Value Tax Rate Per \$1,000 For Three Per Pupil Operating Expense Levels					
		\$1,500 ^c		\$2,000 ^c		\$2,500 ^c	
		Tax Rate ^d	Yield ^e	Tax Rate ^d	Yield ^e	Tax Rate ^d	Yield ^e
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
\$ 20,000	\$1,240	\$13.00	\$ 260	\$38.00	\$ 760	\$63.00	\$1,260
50,000	843	13.14	657	23.14	1,157	33.14	1,657
75,000	522	13.04	978	19.70	1,478	26.37	1,978
100,000	361	11.39	1,139	16.39	1,639	21.39	2,139
200,000	360	5.70	1,140	8.20	1,640	10.70	2,140

^a This table has been simulated for purposes of discussion; school districts in the table do not necessarily mirror actual districts. For purposes of apportionment of operating aid to districts in the 1978-79 school year, a district's per pupil wealth is determined by dividing its 1976 full valuation by its 1976-77 wealth total aidable pupil units (WTAPU).

^b State formula operating aid was computed using the current two-tier formula or flat grant guarantees; figures are per pupil (TAPU) dollar amounts. The calculations assume a State average full valuation per pupil of \$59,000. For purposes of this table, the assumption is made that all districts will be paid the formula aid amount shown in this column.

^c Approved operating expense per pupil. For the apportionment of 1978-79 operating aid, a district's 1977-78 approved operating expense is divided by its 1977-78 total aidable pupil units (TAPU).

^d Full value tax rate per \$1,000 needed when combined with the formula aid amount, shown in column 2, to reach the specified per pupil operating expense level.

^e Per pupil yield of the full value tax rate shown in column to the left; i.e., the local share required in addition to the State formula operating aid amount to reach the specified per pupil operating expense level. For illustrative purposes, it has been assumed that a district's 1976-77 WTAPU and its 1977-78 TAPU are equal. In a specific district, these two totals may differ, thus requiring slightly higher or lower tax rates to achieve the specified expense levels.

per pupil may spend \$1,500 per pupil with a \$13 per thousand full value tax rate because it receives State formula operating aid of \$522 per pupil.

Similar tax rates fail to generate comparable operating expense levels when districts spend more than \$1,500 per pupil. A full value tax rate of \$38 per thousand enables the low wealth district to have an operating expense level of \$2,000 per pupil (Column 5). However, this same tax rate permits the districts with \$50,000, \$75,000, \$100,000, and \$200,000 full valuation per pupil to have per pupil operating expense levels of \$2,743, \$3,372, \$4,161 and \$7,960 respectively when the tax yield is combined with their formula operating aid for the 1978-79 school year.

RANGE IN DISTRICT RESOURCES AND EXPENSE LEVELS

New York State's current system of apportioning operating aid allows all school districts to have an approved operating expense level of \$1,500 per pupil if they levy a full value tax rate equal to, or less than, 13.5 mills (i.e., \$13.50 per thousand). For the 1978-79 school year, the State's operating aid formula includes two aid ratios designed to compensate for variations in per pupil tax yield among school districts with less than \$86,000 full valuation per wealth total aidable pupil unit (FV/WTAPU). Districts with more than \$86,000 FV/WTAPU may achieve a \$1,500 per pupil spending level with a full value tax rate lower than that needed by less wealthy districts (i.e., those with a FV/WTAPU below \$86,000).⁶

Data on wealth per pupil, full value tax rates, and approved operating expense per pupil for selected school districts are shown in Table 2. The FV/WTAPU data are based on 1976 full valuation and 1976-77 wealth total aidable pupil units. Full value tax rates were computed using 1977-78 school district local levies (including the yield from non-property taxes) and 1976 full valuation data. The expense data were calculated from estimated 1977-78 approved district operating expenses divided by the 1977-78 count of total aidable pupil units (TAPU) as used for aid apportionment. These data were collected to estimate district operating and high tax aid amounts in the 1978-79 school year; they were obtained from a State Education Department tape dated June 19, 1978.

(Text continued on page 8)

⁶ For an explanation of how operating aid is calculated, see Appendix Table B-1.

TABLE 2

FULL VALUATION PER PUPIL, FULL VALUE TAX RATE PER THOUSAND DOLLARS, AND
APPROVED OPERATING EXPENSE PER PUPIL RANKINGS USED IN THE
COMPUTATION OF FORMULA OPERATING AND HIGH TAX AIDS,
1978-79 SCHOOL YEAR

<u>Selected Districts</u>	<u>District Rank (No.=705)^a</u>	<u>Full Value Per Pupil (FV/WTAPU)^b</u>	<u>Full Value Tax Rate Per \$1,000^c</u>	<u>Approved Operating Expense Per Pupil^d</u>
<u>Full Valuation Per Pupil (WTAPU)</u>				
Wealthiest District (Fishers Island)	705	\$595,806	\$11.62	\$7,711
90th Pupil Percentile ^e (Northport)	577	77,398	24.90	2,362
Median Pupil ^e (Perm Yan)	481	58,533	14.65	1,448
10th Pupil Percentile ^e (North Babylon)	150	31,871	34.01	2,115
Poorest District (Salmon River)	1	11,319	25.06	1,506
<u>Full Value Tax Rate Per \$1,000</u>				
Highest Tax Rate (Levittown)	705	37,572	39.30	2,555
90th Pupil Percentile ^e (Three Village)	652	49,520	28.39	2,087
Median Pupil ^e (New York City) ^f	437	72,001	19.90	2,163
10th Pupil Percentile ^e (Dryden)	217	37,130	15.75	1,319
Lowest Tax Rate (Montauk)	1	411,517	7.24	3,061
<u>Approved Operating Expense Per Pupil</u>				
Highest Expense Per Pupil (Fishers Island)	705	595,806	11.62	7,711
90th Pupil Percentile ^e (Malverne)	602	75,224	27.06	2,342
Median Pupil ^e (Hauppauge)	541	52,545	24.99	2,046
10th Pupil Percentile ^e (Susquehanna Valley)	171	28,338	19.10	1,411
Lowest Expense Per Pupil (Prattsburg)	1	40,230	19.16	1,079

Footnotes a to f appear on page 7.

FOOTNOTES

TABLE 2

- a Districts were ranked from low (1) to high (705). For this listing, New York City was treated as a single district.

The counties for each district mentioned in the table are:

- Fishers Island, Suffolk County; Northport, Suffolk County; Penn Yan, Yates County; North Babylon, Suffolk County; and Salmon River, Franklin County.
 - Levittown, Nassau County; Three Village, Suffolk County; New York City, Bronx, Kings, New York, Queens, and Richmond Counties; Dryden, Tompkins County; and Montauk, Suffolk County.
 - Fishers Island, Suffolk County; Malverne, Nassau County; Hauppauge, Suffolk County; Susquehanna Valley, Broome County; and Prattsburg, Steuben County.
- b 1976 full valuation of real property per 1976-77 wealth total aidable pupil unit (FV/WTAPU) was obtained from a State Education Department tape dated June 19, 1978 and a State Education Department computer run of August 23, 1978.
- c High tax rate aid figures were obtained by dividing the districts 1977-78 local tax levy by its 1976 full valuation. These tax rates were estimated from a State Education Department tape dated June 19, 1978.
- d Expense data were calculated from estimated 1977-78 approved operating expenses divided by the 1977-78 count of total aidable pupil units (TAPU) as used for aid apportionment. Data were obtained from a State Education Department tape dated June 19, 1978 and a State Education Department computer run of August 23, 1978.
- e The pupil percentiles and median pupil data were based on the number of pupils in each district -- i.e., districts were ranked from high to low and the number of pupils (1977-78 TAPU) in each district summed.
- f New York City data presented in this table were based on a State Education Department tape dated June 19, 1978. In August 1978, the Office of Revenue Administration, New York City Board of Education, submitted aid claim estimates to the State Education Department. These aid claim data differ significantly from the previously reported data and use of these aid claim data would change the rankings reported in Table 2. The City's claimed operating expense per pupil, for example, is \$1,859 rather than \$2,163 as reported in Table 2.

Taxable Real Property Wealth Per Pupil

School districts have uneven amounts of taxable real property behind each public school pupil residing in the district. Property full valuation per pupil, as calculated for operating aid apportionment in 1978-79, ranges from \$11,319 (Salmon River) to \$595,806 (Fishers Island) with a median per pupil wealth of \$58,533 (Penn Yan). Fishers Island, with an estimated 64 pupils (TAPU) and \$595,806 FV/WTAPU, is approximately 53 times wealthier than Salmon River, which has 1,926 pupils (TAPU) and \$11,319 FV/WTAPU. Fishers Island, which frequently appears on lists in which districts have been ranked from low to high, is located in open water off the Long Island Sound -- several miles from the shores of either eastern Suffolk County or Connecticut. Because of its geographic location, the district has chosen to operate a full K-12 program.

If the wealthiest and poorest districts -- i.e., districts which contain the upper and lower 10 percent of the State's pupils -- are discounted, the range [\$77,398 (Northport) to \$31,871 (North Babylon)] is reduced considerably and the high wealth district is now only two and one half times richer than the low wealth district.

Disparities in per pupil wealth encourage uneven tax efforts. Fishers Island, the wealthiest major district, had an estimated per pupil operating expense of \$7,711 in the 1977-78 school year. The district's latest reported full value tax rate for all local public school expenditures is \$11.62 per thousand. By contrast, poorer districts -- e.g., Salmon River and North Babylon -- support much lower per pupil operating expense levels (\$1,506 and \$2,115 respectively) with substantially higher full value tax rates. Their full value tax rates, as calculated for 1978-79 high tax aid apportionment, are \$25.06 and \$34.01 per thousand, respectively.

Full Value Tax Rates

The real property tax is the single most important source of revenue for school districts. Currently, 69 of the State's 705 major school districts, wholly or partly within the boundaries of a city, have limited taxing powers pursuant to provisions of the State Constitution. For the remaining 636 districts, the ability of the local school board to levy taxes on real property is unlimited -- if voters approve the local school district budget. Even in the absence of such voter approval, noncity boards generally have greater taxing powers than do school boards in independent city school districts.

For the 1978-79 school year high tax rate aid computations, full value tax rates per thousand ranged from an estimated \$7.24 (Montauk) to \$39.30 (Levittown). Because of its per pupil wealth, Montauk was able to have an estimated per pupil operating

expense level of \$3,061 in the 1977-78 school year -- a level above that of school districts containing more than ninety percent of the State's pupils.

New York City, with a tax effort of \$19.90 per thousand of full valuation, stands midway between the highest and lowest school district full value tax rates. If New York City is disregarded, the median full value tax rate is \$18.51 per thousand (Pine Bush).

1977-78 Approved Operating Expense Per Pupil

Approved operating expense levels, as estimated last spring for the apportionment of operating aid in the 1978-79 school year, range from a low of \$1,079 per pupil (Prattsburg) to a high of \$7,711 (Fishers Island) with a per pupil median of \$2,046 (Hauppauge) as Table 2 indicates. However, if the August 1978 New York City aid claim data had been used (see page 7, footnote f), the median approved operating expense per pupil drops to \$1,859 (New York City). Without New York City data, the median would be \$1,753 (Williamsville).

SUMMARY

There is a substantial range in educational opportunity -- as measured by approved operating expense per pupil -- in New York State due to the uneven distribution of taxable real property among school districts. Low per pupil wealth districts are not able to generate the same tax revenues as high per pupil wealth districts with the same tax rate. Moreover, the State's operating aid formula for the 1978-79 school year does not compensate for these differences in low wealth districts which elect to have an operating expense level of more than \$1,500 per pupil.

ORGANIZATION OF THE REPORT

The problem of uneven access to taxable real property wealth and its importance to New York State's system of public school finance are presented in this chapter. The operating aid formula for the 1978-79 school year is explained and the relationship between tax effort and per pupil expenditure levels is discussed in terms of the variables used in the formula.

The second chapter examines school finance recommendations relating to tax base changes and structural reform efforts from 1970 to 1978. Recent legislative action relating to minimum aid guarantees and New York State litigation concerning uneven school district access to taxable real property per pupil are summarized.

School district and regional variations in per pupil wealth, operating aid expenditures, and tax rates are presented in the third chapter. Data for the New York City Standard Metropolitan Statistical Area are contrasted to data for the rest of New York State.

The last chapter introduces a "Regional Tax Base Model" and examines its impact on the distribution of operating aid. An example of four alternative models also is presented and discussed in terms of its impact on school district variations in per pupil operating expense.

REVIEW OF PROPOSALS FOR EQUALIZING SCHOOL DISTRICT FISCAL RESOURCES

Established under the State's Common Law of 1812, the first school districts in New York State were laid out so as to place a school building within walking distance of every child. Granted taxing powers sufficient to raise money for a school house, these small administrative units of local government flourished. Over the years, attempts at school district consolidation have been only moderately successful and then, only when accompanied by State financial incentives -- e.g., reorganization incentive aid.¹

Since 1925, most consolidation plans proposed by the State have included some form of financial incentive. As a result, over the last 50 years the number of school districts has declined from approximately 10,000 to 743. Nevertheless, for more than a decade it has been increasingly apparent that school district consolidation has not adequately reduced the disparity in school district taxable real property per pupil. Thus, in the 1970's, various New York State educational, legislative, and gubernatorial groups have examined the problem of unequal access to taxable property wealth and sought to revise school finance formulas. A review of their recommendations for equalizing school district resources follows.

FULL STATE FUNDING PROPOSAL: 1972

The New York State Commission on the Quality, Cost and Financing of Elementary and Secondary Education was established in 1968 by joint action of Governor Nelson A. Rockefeller and the Board of Regents. Manly Fleischmann, a Buffalo attorney, was designated Commission chairman. The first volume of the Commission's final report, released in January 1972, contained a series of school finance recommendations designed to equalize revenue sources for public education through full State funding and to achieve a common per pupil expenditure level for all school districts.

After two years of intensive study, the Commission concluded that "the New York State school system does not provide educational equality. In fact, its structure insures the continuance of basic inequality in educational revenue raising and expenditure."² In view of these inequities, the Commission

¹ Arvid J. Burke, "Development of Public School Finance in New York State", (Occasional Paper #14), New York State Education Department, April 1978.

² Report of the New York State Commission on the Quality, Cost and Financing of Elementary and Secondary Education, Manly Fleischmann, chairman, 1972, p. 6.

recommended that New York State adopt a system of full State funding for local school districts, that the local option regarding supplemental school levies be discontinued, that expenditures for all districts be brought up to the level of the district spending at the 65th percentile when districts were ranked according to base expenditures, and that a uniform Statewide property tax be levied and earmarked specifically for education.³

The recommendations of the Fleishmann Commission were never translated into draft legislation. However, the impact of the Commission's proposals was apparent to school community representatives across the State. Opposition to the proposal came from two sources. Representatives of school districts with per pupil expenditures above the 65th percentile objected to the Commission's recommendation regarding a fixed statewide expenditure level, and representatives of nonmetropolitan districts with low tax rates protested the proposed single full value tax rate of approximately \$20 per thousand.

REGIONAL TAX BASE PROPOSALS: 1972 TO 1974

After the Fleischmann Commission's proposals failed to gain the necessary political and educational community acceptance, a series of recommendations for expansion of school district tax bases were developed. The concept of a regional tax base was seriously considered by a State task force, but none of the regional tax base proposals were reported out of Committee in either the State Senate or the Assembly.

The Goold Proposal to Equalize Resources Within BOCES Regions

Following his retirement, G. Howard Goold, former Executive Secretary of the New York State Teachers' Association, was invited to draft a new finance plan for the support of public education in New York State. The study was commissioned by Dr. T. Norman Hurd, then director of the New York State Budget Division. It was completed in the fall of 1972.

Under the Goold Plan, State aid to school districts was distributed through existing BOCES regions.⁴ Each of these regions became the basic regional tax unit.⁴ The State was to equalize resources among the BOCES' regions, and the BOCES were to equalize resources within their respective regions. Within stipulated limits, each BOCES was authorized to set its own regional property tax rate.

³ Ibid., pp. 2.12-2.26.

⁴ G. Howard Goold. "The Financing of Elementary and Secondary Education", (Unpublished paper submitted to the Division of the Budget, 1972.)

Although the Goold Plan was never publicly released, the plan was used as a resource document by the 1973-74 Task Force on State Aid for Elementary and Secondary Schools.

Governor's 1973 Study Bill Proposal to Equalize Aid by Region

In March 1973, Governor Rockefeller's office released a "Staff Paper on the Financing of Elementary and Secondary Education". The paper was prepared by staffs of the Office of the Secretary to the Governor, the Counsel to the Governor, and the Division of the Budget. A study bill implementing this proposal was introduced in May 1973.

The staff group developed an "Equalized Effort Proposal" for all State aid programs with the exception of building aid and transportation aid. For purposes of State aid calculation only, all school districts were grouped into approximately 50 regions based primarily on the boundaries of the State's supervisory districts.⁵ Under the plan outlined in the Staff Paper,⁶ New York City and the other four large city school districts were each treated as a single region.

The "Equalized Effort Proposal" called for the State to establish an annual "Statewide Local Share Factor", the reciprocal of which was to be the State's share of school district costs. An aid ratio (each region's average property wealth per pupil compared to the Statewide average) was used for the "regional local share factor". This factor was subjected to both minimum and maximum expenditure levels.

Each school district's relative wealth within a region was determined by the ratio of the district's full value per pupil to the regional average full value per pupil. This ratio was further modified by multiplying it by the regional share factor. The modified local share factor was then multiplied by the district's per pupil expense to determine the per pupil amount a school district was required to contribute to achieve its desired expenditure level. The amount of State aid per pupil was determined by subtracting the school district share of expenditures from the total district per pupil expenditure.

The Governor's bill limited the total aidable local expenditures and provided that no district would experience a decrease in aid or be required, as a result of the formula, to increase tax rates by more than 7.5 percent.

⁵ Supervisory districts are coterminous with BOCES regions. In 1973 the State had 45 BOCES regions.

⁶ "Staff Paper on the Financing of Elementary and Secondary Education", New York State Executive Chamber, March 30, 1973.

Educational Conference Board County Tax Proposal

In 1973, one of the items in the Educational Conference Board's annual legislative proposal was a recommendation for sharing tax resources with a county. The Conference Board recommended the establishment of a program of State equalized county aid for the 1973-74 school year. In each county an amount equal to a tax of \$1 per thousand on full valuation would be collected. The State would match the amount collected through the counties, and these funds would be redistributed so that every district would receive \$85 per pupil in the 1973-74 school year.⁷

The Educational Conference Board is made up of two representatives from each of seven major Statewide organizations whose primary concern is education in the elementary and secondary public schools. The seven member organizations are the New York State Association of School Business Officials, New York State Congress of Parents and Teachers, New York State Council of School District Administrators, New York State School Boards Association, New York State United Teachers, Public Education Association, and the Secondary School Administrators of New York State.

1973-74 Task Force on State Aid for Elementary and Secondary Schools Proposal for Resource Sharing

In its preliminary report (January 1974), the 1973-74 Task Force on State Aid for Elementary and Secondary Schools made proposals for the 1974-75 and 1975-76 school years. It recommended that for the 1975-76 school year, 1) initial steps be taken by interested BOCES to develop an area equalization plan and 2) a higher State support level be provided for large cities and BOCES areas which chose to share resources across district lines.⁸

The Task Force was composed of persons appointed by the State Board of Regents, the Speaker of the Assembly, the Senate Majority Leader, and Governor Rockefeller.

One of the Task Force's goals was to improve equalization among the school districts of the State.⁹ During the early stages of its study, the Task Force demonstrated to its own satisfaction

⁷ "Report of the 1973-74 Task Force on State Aid for Elementary and Secondary Schools", December 1974, p. 15.

⁸ "Preliminary Proposal for 1974 Registration on State Aid For Elementary and Secondary Schools", January 1974, p.27.

⁹ Ibid., p. i.

that true equalization on a district basis was not financially feasible and that the best hope lay in area wide sharing of resources as was recommended by G. Howard Goold in 1972.

The Task Force postponed its regional equalization plan to concentrate on the development of a new and revised State aid formula for the 1974-75 school year. That formula, known as the Chapter 241 formula, overshadowed the Task Force's earlier recommendations regarding the sharing of resources on a regional basis.

RESOURCE EQUALIZATION PROPOSALS: 1975 TO 1978

The school finance proposal enacted in 1974 was designed as an interim one-year formula.¹⁰ Although wholesale revision of the formula did not occur until the 1978 legislative session, the period from 1975 to 1978 saw the development of a number of proposals for structural reform.

New York State Task Force on Aid to Education Report

In December 1974, New York State's Governor-elect Hugh L. Carey appointed a 30-member Task Force on Aid to Education to help his new administration develop a comprehensive plan of reform for the State's school finance system. A final report was submitted to the Governor by the Task Force in April 1975.

The Task Force found that the current system of school finance in New York State was unfair because districts differed in their access to taxable property wealth. In an effort to correct the situation, members of the Task Force urged the Governor to "begin a study of alternative approaches to State Aid that hold promise of narrowing the wide range of expenditures within the State."¹¹

Budget Division Studies Conducted Under Ford Foundation Grant

To implement the recommendations of the Task Force, Governor Carey sought and received a grant from the Ford Foundation in 1975. He also appointed a six-member Consultants' Advisory Panel, composed of school finance specialists, to guide a Budget Division staff task force established to conduct school finance studies.

¹⁰ Contained in Chapters 241 and 718 of the Laws of 1974.

¹¹ State of New York Task Force on Aid to Education, Report to Governor Hugh L. Carey, Volume I: School Finance, Max J. Rubin, chairman, April 1975, p. 3.

Among the studies suggested by the Consultants' Advisory Panel was an analysis of the cost of equalization by region. A paper showing the potential impact of regional equalization upon New York State was prepared for the Advisory Panel but never published. The published studies presented to the Advisory Panel are listed on the back cover.

Proposal of the Educational Conference Board's Special Committee on State Aid

In September 1976, the Educational Conference Board's Special Committee on State Aid submitted "A Proposed Plan for the Support of Public Education in New York State."¹² The plan had three components -- all of which dealt with the problem of inadequate tax bases.

The Committee recommended a uniform State levied property tax. The moneys generated from the tax were to be distributed to school districts on a per pupil basis. This Statewide property tax was to be adjusted annually in terms of fiscal realities and the number of pupils to be served.

The 1977-78 and 1978-79 State aid proposals of the Educational Conference Board included recommendations for a uniform Statewide full value property tax (\$13 per \$1,000, 1977-78 school year; \$10 per \$1,000, 1978-79 school year). However, neither proposal would have had a significant impact on the redistribution of wealth since every district retained the yield from the tax levied on property within the district and, in addition, was guaranteed State operating aid equal to at least 105 percent of its operating aid payments for the preceding school year.

State Education Department Proposal to Hurd Decision Task Force

In May 1978, New York State Commissioner of Education Gordon M. Ambach presented a State school property tax proposal to the Special Task Force on the Financing of City School Districts (also known as the Hurd Decision Task Force).¹³ Under this plan, a uniform statewide full value tax would be levied and all districts would be allowed to retain only a specified per pupil amount of their yield. Any excess tax yield above that amount would then be available to be used for redistribution to other districts.

¹² Special Committee on State Aid, Report to the Educational Conference Board, "A Proposed Plan for the Support of Public Education in New York State", September 7, 1976 (Mimeo).

¹³ For further information on the May 9, 1978 Court of Appeals decision which preceded the formation of this Special Task Force, see the opening section of the fourth chapter.

One of the proposal alternatives called for a 7 mill statewide tax with the excess above a \$1,450 yield per pupil to be made available for redistribution. The total excess tax yield for the eight districts which would have raised excess amounts in the 1978-79 school year was \$4.5 million -- the amount available for redistribution.

LEGISLATIVE ACTION ON MINIMUM GUARANTEES

The flat grant provisions of New York State's operating aid formula have been acknowledged as factors which inhibit the equalizing capacity of the formula. While the New York State Diefendorf formula was in effect (1962-63 through the 1973-74 school years), the minimum operating aid guarantee (commonly called a flat grant) equaled 36 percent of the State's per pupil expense ceiling.

The major 1978 school aid legislation¹⁴ reduced the percentage of the per pupil operating aid expense ceiling represented by the flat grant guarantee. This was accomplished by increasing the operating aid expense ceiling while keeping the flat grant guarantee at the level of \$360 per pupil -- established in 1974. Thus, the flat grant guarantee (\$360) which represented 30 percent of the \$1,200 per pupil expense ceiling established for the 1974-75 school year¹⁵ now represents only 24 percent of the ceiling established for the 1978-79 school year. Similar legislative action¹⁶ was taken in 1977 when the \$1,200 ceiling was increased to \$1,400 and the \$360 flat grant was held constant.

PUBLIC SCHOOL FINANCING LITIGATION

Approximately 25 school districts in the State have instituted litigation (Levittown Union Free School District v. Nyquist) in the Supreme Court, Nassau County similar to that brought successfully in certain other states and unsuccessfully in others. The districts are challenging the constitutionality of the present system of levying taxes and applying funds for public school purposes. New York City and three other large cities have intervened, also asserting the unconstitutionality of the present system.

On June 23, 1978, the Supreme Court, Nassau County held the method of financing public schools in New York State unconstitutional, ruling in favor of the approximately 25 school districts

¹⁴ New York State Laws of 1978, Chapter 74.

¹⁵ New York State Laws of 1974, Chapter 241.

¹⁶ New York State Laws of 1977, Chapter 71.

and the intervenors. The official State Bond Prospectus of July 13, 1978 says, "The decision will be appealed by the State defendants to the Appellate Division and, if necessary, to the Court of Appeals, during which time a statutory stay will be in effect."¹⁷ In his June 23 decision, Nassau County Supreme Court Justice L. Kingsley Smith said that the State had delegated taxing responsibility to local school districts "without adequate recognition of the varying capabilities of districts to raise educational funds."¹⁸ While the Court declared the State education finance system unconstitutional, it specifically held: "Such declaration, however, shall not prevent the continued operation of the State's school system under existing statutes or invalidate past or future obligations incurred for the operation of the school system pursuant to applicable legislative action or until such time as operations under them are specifically enjoined by the Court."¹⁹ The Court further stated: "The Legislature must be afforded an opportunity to develop a suitable plan for the revision of the State's system of financing public education."²⁰

SUMMARY

Over the last decade, numerous groups have studied the State's system of public school finance and found it inadequate. Because the recent State Supreme Court decision in the Levittown v. Nyquist case calls for the Legislature to develop a suitable school finance plan, renewed interest in proposals submitted earlier in the decade can be anticipated.

¹⁷ Official statement of the State of New York on \$104 Million Serial Bonds (Callable), July 13, 1978, p. 69.

¹⁸ Levittown v. Nyquist, New York, p. 92 (1978).

¹⁹ Ibid., p. 105.

²⁰ Ibid., p. 104.

SCHOOL DISTRICT AND REGIONAL VARIATIONS IN PER PUPIL WEALTH, PER PUPIL OPERATING EXPENDITURES AND TAX RATES

Significant school district consolidation has taken place in New York State during the last century. In 1857, there were 11,857 school districts within the State; today there are 743 -- 705 of which are major districts (i.e., districts with eight or more teachers). However, little consolidation has occurred since 1970.

Between 1970 and 1978, the number of school districts declined from 767 to 743 -- a decrease of 24. By contrast, from 1960 to 1969 the number of districts was reduced by 558 -- from 1,327 to 769.¹ While there has been progress in school district consolidation, 181 of 717 noninstitutional districts reported a fall 1975 enrollment of fewer than 1,000 pupils. Although a number of these districts are located in rural sections of the State, 44 percent of the 27 districts with fewer than 200 pupils are in Suffolk County and 28 percent of the 79 districts with fewer than 500 pupils are in Suffolk, Albany, and Westchester Counties.²

A review of the history of New York State school finance shows that the ranges in taxable real property per pupil, local tax rates, and school district per pupil expenditures decline when the number of districts is reduced substantially.

- In 1925, there were still nearly 10,000 school districts in the State. Of the total group, 7,500 were one-teacher districts with land areas under three square miles and average enrollments of less than 15 pupils. Moreover, there were vast ranges in per pupil property wealth, tax rates, and per pupil expenditures in these one-teacher districts. Real property full values ranged from under \$500 to over \$5 million per pupil and full value tax rates, from zero to \$40.00 per thousand. Some districts were spending 13 times more per pupil than other school districts.³

¹ Education Statistics. University of the State of New York, State Education Department, Albany, New York 12224, January 1971 and 1978. Data (743) from the State Education Department's Education Statistics Fall 1978 Estimates has been substituted for the earlier 1978-79 estimate (741).

² For further information, see Current Components of New York State Educational Finance System: A Review, Education Study Unit, New York State Budget Division, October 1977. p. 120.

³ Ibid., p. 115.

- Currently, there are 705 districts with eight or more teachers. For purposes of aid apportionment in the 1978-79 school year, the range in taxable real property per pupil for these districts reflects a ratio of 53:1 and the range in operating expense per pupil, a ratio of more than 7:1. Full valuation tax rates per thousand vary from a high of \$39.30 to a low of \$7.24. These data are presented in Table 2 on page 6. If Fire Island and other wealthy districts with fewer than eight teachers had been included in Table 2, the range in per pupil wealth and local tax effort would be even greater.

Thus, although the range in local fiscal ability has been reduced since 1925, the change is not as great as one might expect as the result of the consolidation of about 10,000 districts to today's total of 743.

In the past the issues of efficiency and educational effectiveness tended to be cited as reasons for school district consolidation. Today, the variation in school district full valuation on a per pupil basis appears to be of greater concern.

ALTERNATIVE TAX BASES

The question to which this study is addressed is: Can the disparities in school district taxable resources per pupil be reduced to achieve a more equitable distribution of revenue resources among the State's public schools without full State funding and a ban on local taxing authority? Both the use of personal income as a revenue source and the use of a regional tax base have been mentioned as possible alternatives.

Use of Income as a Revenue Source

If New York State were to allow each of the 705 major districts to impose a surcharge on the State personal income tax, would the problem of uneven distribution of taxable resources per pupil be resolved? The answer appears to be no.

Although 1977 taxable income data are not yet available by school district, the 1970 U.S. Census personal income data were available for analysis. The wealthiest district, as measured by the 1970 Census personal income data, showed a taxable income per pupil (WTAPU)⁴ of \$53,045 (East Williston) as compared to a

⁴ Measuring The Wealth of School Districts For The Apportionment of Aid to Public Schools in New York State: Full Valuation vs. Personal Income, Education Unit, New York State Division of the Budget, August 1978.

low of \$571 (Rocky Point) -- or a ratio of 93 to 1. Thus, use of personal income per pupil would appear to increase rather than reduce existing disparities in taxable resources per pupil.

Use of a Regional Tax Base

Unlike the use of personal income, use of a regional property tax would reduce the current variation in local taxable resources. Since BOCES regions have slightly less variation in size (as measured by aidable pupil units) than counties and since BOCES regional boundaries are coterminous with school district boundaries, the BOCES regions were selected to examine the impact of use of an expanded tax base.

Currently, 44 Boards of Cooperative Educational Services (BOCES) provide school districts with programs and/or services which can not be economically or effectively provided by school districts independently. Component school districts may contract with their BOCES for a variety of occupational programs, services for the handicapped, and certain administrative functions.

In evaluating regional vs. district variations and the impact of a regional tax base model (see the next chapter), it is useful to have information on the size of BOCES regions.⁵

- The total area of the four BOCES regions on Long Island (1,172 square miles) is less than the land area of nine individual BOCES in rural areas of New York State. However, there are 121 school districts on Long Island while the number of districts in each of the nine rural BOCES ranges from nine (Franklin) to 26 (Ontario-Seneca-Wayne-Yates).
- Similarly, there are 20 BOCES regions outside of the New York City metropolitan area which have total land areas exceeding the combined acreage of the three BOCES regions covering Westchester, Putnam, and Rockland counties. These three BOCES regions, however, include 54 districts with 240,558 pupils while none of the regions with the greater acreage have more than 26 districts (Albany-Schoharie-Schenectady and Ontario-Seneca-Wayne-Yates) or more than 105,574 pupils (Onondaga-Madison).
- The area of each of three rural BOCES regions in the State exceeds the total area of the seven New York

⁵ See Appendix Table A-1 for a ranking of BOCES regions according to size (in square miles).

City metropolitan area BOCES. The total number of school districts in the rural area BOCES contain respectively 18, 19, and 9 school districts.

For every New York City metropolitan area BOCES there is at least one school district in the State which is larger in size. There are 40 school districts with greater acreage than the Westchester 2 BOCES region, 21 districts larger than Suffolk 3, and 18 larger than Rockland. The number for the remaining New York City SMSA BOCES regions are: Nassau, eight; Suffolk 2, seven; Suffolk 1, three; and Putnam-Westchester 1, one. (See Appendix Table A-2.) Furthermore, the average school district in the Franklin BOCES (264 square miles) is larger than the total acreage for each of four BOCES regions (Westchester 2, Suffolk 3, Rockland, and Monroe 1) as shown in Appendix Table A-1.

Since virtually all inhabited areas of New York State were once covered by districts about three miles square, it is apparent that there has been more school district consolidation and thus greater sharing of tax base resources in the nonmetropolitan portions of New York State than in areas of comparable geographic size in the New York City area. This consolidation of resources across a broader area may contribute to the existence of less variation in per pupil spending and in per pupil wealth in BOCES regions located outside the New York City metropolitan area.

Calculations of Averages for BOCES Regions

BOCES regional averages are used for purposes of analysis in the third and fourth chapters of this report. The method used to calculate these averages for full valuation per pupil and approved operating expense per pupil is described below.

Taxable Real Property Per Pupil. The relative wealth of each of the BOCES regions was determined by summing the 1976 full valuation (FV) of each major school district within the region (including noncomponent districts) and dividing this figure by the sum of the 1976-77 Wealth Total Aidable Pupil Units (WTAPU) for each district within the region.⁶

⁶ These regional calculations are similar to the calculations currently used to determine the State average full value per pupil pursuant to provisions of section 3602 of the Education Law (except that the formula also uses the full valuation of districts with fewer than eight teachers). The regional full value per pupil formula using just the full value for districts with eight or more teachers was:

$$1976-77 \text{ Region FV/WTAPU} = \frac{\text{Total 1976 FV of Region Major School Districts}}{\text{Total 1976-77 WTAPU of Region School Districts}}$$

Average Approved Operating Expense Per Pupil. An average approved operating expense per pupil (AOE/TAPU) for each region was calculated using the same method as that for full valuation per pupil. A region's operating expense per pupil (1977-78 Region AOE/TAPU) was determined by summing the 1977-78 approved operating expenses of each major district within the BOCES region and dividing by the total number of pupils (1977-78 TAPU).

Therefore, for purposes of a formula operating aid calculation each district in the region was assumed to have a full value per pupil (FV/WTAPU) and operating expenditure per pupil (AOE/TAPU) equal to the BOCES region average.⁷

The 44 BOCES regions include all but 16 eligible school districts and the "Big Five" cities (Buffalo, New York City, Rochester, Syracuse and Yonkers). The "Big Five" are prohibited by law from joining BOCES. Although not all school districts are members of BOCES, every school district except New York City is located within a BOCES region.

REGIONAL VS. DISTRICT VARIATIONS

When variations in taxable real property, operating expenditures, and tax rates were examined by BOCES regions, the range of these variations was substantially less than the range of the variation among major school districts.

Tax Base Expansion Reduces Per Pupil Wealth Range

Variations in taxable real property per pupil were greatly reduced by the use of BOCES regional tax bases. Such per pupil wealth data are shown by school district and BOCES region in Table 3. The wealthiest BOCES region (Suffolk 3) has an average full value per pupil (FV/WTAPU) of only \$180,955 as compared to \$595,806 for the wealthiest school district (Fishers Island). The poorest region (Madison-Oneida) with an average FV/WTAPU of \$28,737 is much better off than the poorest district (Salmon River) with a FV/WTAPU of only \$11,319. These variations in wealth are reflected in the wealth ratios. The 52.6 to 1 wealth ratio for school districts drops to 6.3 to 1 when taxable real property per pupil is calculated on a regional basis.

(Text continued on page 26)

⁷ Because data on total operating expenses is not readily available by BOCES regions, the study used regional totals for operating expense approvable for operating aid purposes pursuant to Section 3602 of the State Education Law.

TABLE 3

1976-77 FULL VALUATION PER PUPIL (WTAPU), BY MAJOR SCHOOL DISTRICTS AND BOCES REGIONS
(INCLUDING NEW YORK CITY)

Pupil Percentile Level ^a	Major School Districts			BOCES Regions and New York City			
	District Rank ^b	Full Valuation Per Pupil ^c	District Name ^d	Region Rank ^b	District Rank ^e	Average Full Valuation Per Pupil ^f	Region Name ^d
Wealthiest	705	\$595,806	Fishers Island	45	705	\$180,955	Suffolk 3
95th	621	93,612	Rockville	41	627	77,426	Putnam- Westchester 1
90th	577	77,398	Northport	41	627	74,525	Nassau
75th	557	72,011 ^g	New York City	40	571	72,011 ^g	New York City
Median	481	58,533	Penn Yan	36	530	57,201	Ulster
25th	300	40,765	Duanesburg	25	357	43,078	Suffolk 2
10th	150	31,871	North Babylon	13	171	38,152	Orleans- Niagara
5th	87	28,177	Brentwood	8	107	35,804	Jefferson- Lewis
Poorest	1	11,319	Salmon River	1	18	28,737	Madison- Oneida

Full Value/Pupil Ratios

Wealthiest to Poorest	52.6 : 1	6.3 : 1
95th to 5th	3.3 : 1	2.2 : 1
90th to 10th	2.4 : 1	2.0 : 1
75th to 25th	1.8 : 1	1.7 : 1

FOOTNOTES

TABLE 3

- a Percentiles are based on the number of pupils in each district, i.e., the districts were ranked from low to high on 1976-77 full valuation per pupil (FV/WTAPU) and the number of pupils (1977-78 TAPU) in each district cumulatively summed to reach the appropriate percentile level.
- b Cumulative total, e.g., in column 2, 87 school districts with 5 percent of the pupils have a full valuation per pupil of \$28,177 or less.
- c 1976 full valuation per 1976-77 wealth total aidable pupil units (WTAPU) as defined for use in 1978-79 operating aid apportionment.
- d Actual name of district or BOCES region. Data for New York City is reported on a citywide basis (rather than a borough basis).
- e The number of component school districts within each BOCES region has been cumulatively summed over percentile ranks -- e.g., 8 BOCES regions with 107 component school districts and 5 percent of the pupils (TAPU) have an average full valuation behind each pupil of \$35,804 or less.
- f 1976 total full valuation for the region divided by the 1976-77 wealth total aidable pupil units (WTAPU) for the region.
- g This table is based on the State Education Department computer tape of June 19, 1978. If New York City's August 1978 aid claim data had been substituted, the City's average FV/WTAPU would be \$70,377.

Since the median per pupil wealth measure was approximately the same for both districts and regions, the reduction in the wealth variations was the result of changes at both extremes. Moreover, the computation of wealth by BOCES region decreased the wealth ratio between the various percentile levels (95th to 5th, 90th to 10th, 75th to 25th).

Five percent of the State's pupils (TAPU) were in eight regions in which the average FV/WTAPU ranged from \$28,737 (the poorest region) up to \$35,804. However, there was a wider full valuation per pupil range among the lowest wealth school districts. Five percent of the pupils were in 87 school districts with FV/WTAPU ranging from \$11,319 (the poorest district) to \$28,177.

A similar trend was found for high wealth areas. Five percent of the State's pupils were in school districts with a full value per pupil above \$93,612 while fewer than one percent of the State's pupils were in the only BOCES region with a FV/WTAPU average above \$93,612 (i.e., Suffolk 1 with \$180,995 FV/WTAPU) as shown in Appendix Table A-3.

Regional Average Expenditures Fall Below District Expense Range

The highest estimated district expenditure (\$7,711) per pupil for the 1977-78 school year was three times as much as the highest regional average (\$2,528) as indicated in Table 4. The approved operating expense per pupil ratio between the highest (Fishers Island) and lowest (Prattsburg) spending districts was 7.1:1 while the ratio (average operating expense per pupil) between highest (Nassau) and lowest (Allegany) region was only 1.9:1. Moreover, the ratios between percentile levels were equal or smaller for regional average operating expenditures than for school district per pupil operating expenses.

The range in average regional operating expenditures per pupil was narrower in the 1977-78 school year than the range in district approved operating expenditures per pupil as Table 4 illustrates.

- Five percent of the State's pupils were in districts which spent less than \$1,341 per pupil in the 1977-78 school year whereas one percent of the State's pupils were in the two BOCES regions with an average approved operating expense per pupil less than that amount (Allegany and Madison-Oneida) as shown in Appendix Table A-4.
- Five percent of the State's pupils were in districts in which the operating expense per pupil ranged from \$2,648 to \$7,711 per pupil in 1977-78. However, none of the regions had an operating expense average of more than \$2,528 per pupil.

(Text continues on page 29)

TABLE 4

1977-78 APPROVED OPERATING EXPENSE PER PUPIL (TAPU), BY MAJOR SCHOOL DISTRICT AND BOCES REGION
(INCLUDING NEW YORK CITY)

Pupil Percentile Level ^a	Major School District			BOCES Regions and New York City			
	District Rank ^b	Operating Expense/ Pupil ^c	District Name ^d	Region Rank ^b	District Rank ^e	Average Operating Expense/ Pupil ^f	Region Name ^d
Highest	705	\$7,711	Fishers Island	45	705	\$2,528	Nassau
95th	644	2,648	Rye Neck	45	705	2,528	Nassau
90th	602	2,342	Malverne	44	649	2,443	Westchester
75th	570	2,163 ^g	New York City	39	559	2,163 ^g	New York City
Median	541	2,046	Hauppauge	38	558	2,022	Monroe 1
25th	248	1,601	Olean	28	403	1,641	Dutchess
10th	171	1,411	Susquehanna Valley	15	189	1,479	St. Lawrence- Lewis
5th	102	1,341	Herkimer	8	85	1,427	Oswego
Lowest	1	1,079	Prattsburg	1	13	1,317	Allegany
<u>Expense/Pupil Ratios</u>							
Highest to Lowest		7.1 : 1				1.9 : 1	
95th to 5th		2.0 : 1				1.8 : 1	
90th to 10th		1.6 : 1				1.6 : 1	
75th to 25th		1.4 : 1				1.3 : 1	

FOOTNOTES

TABLE 4

- a Percentiles are based on the number of pupils in each district; i.e., the districts were ranked from low to high on expense/pupil (TAPU) and the number of pupils (TAPU) in each district summed to reach the appropriate percentile.
- b Cumulative total, e.g., in the second column 102 major school districts with 5 percent of the pupils have an approved 1977-78 operating expense of \$1,314 or less per pupil.
- c 1977-78 approved operating expense per total aidable pupil units (AOE/TAPU) as defined for use in 1978-79 operating aid apportionment.
- d Actual name of school district or BOCES region. Data for New York City are reported on a citywide basis.
- e The number of major school districts in each BOCES region have been cumulatively summed over pupil percentile ranks; e.g., 8 BOCES regions with 85 component districts and 5 percent of the pupils have an AOE/TAPU average of \$1,427 or less.
- f 1977-78 total approved operating expense for the BOCES region divided by the total aidable pupil units (TAPU) for the region.
- g If August 1978 New York City aid claim data had been used instead of the June 19, 1978 State Education Department tape data, New York City's estimated 1977-78 average operating expense per pupil would be shown as \$1,859 instead of \$2,163.

- There were 103 districts with expenditures greater than those of the district at the 90th pupil percentile (\$2,342). However, only 56 districts were in the region (Nassau) which had an expenditure average greater than the average expenditure for 44 regions containing more than 90 percent of the State's pupil population.
- For the 1977-78 school year ten percent of the pupils were in 171 districts which had per pupil operating expenses ranging from \$1,079 (lowest expense district) to \$1,411. Fifteen BOCES regions in which the average per pupil expense ranged from \$1,317 (lowest expense region) to \$1,479 also contained ten percent of the State's pupil population.

Thus, when approved operating expenses are calculated for each region, the range in regional average operating expense per pupil shows less variation. Disparities in operating expenditures per pupil are exacerbated when local school districts exercise independent taxing powers.⁸

INTRAREGIONAL VARIATIONS -- WITHIN BOCES AREA

Analysis in the preceding sections has shown that, state-wide, there are wide variations in full valuation per pupil and in approved operating expenditures per pupil between school districts. It is important to note that significant variations in those variables also exist between school districts within regions. (See Appendix Table A-5.)

Taxable Property Wealth

The ratio of wealthiest district to poorest district within BOCES regions ranged from 1.6 to 1 (Cortland) to 11.9 to 1 (Clinton-Essex). In only seven of the 44 BOCES regions was the ratio less than 2 to 1.

In terms of absolute differences, the range in full valuation per pupil within BOCES region was greatest in the New York City metropolitan area -- particularly in Nassau, Putnam-Westchester 1, and Westchester 2. Within these BOCES regions the dollar differences between the full value per pupil of the wealthiest and poorest districts were substantial. Further, each region has a significant number of poor and wealthy component districts. By contrast, although several regions outside of the New York City metropolitan area have large variations in wealth, these regions contain only a small number of extremely wealthy districts.

⁸ Currently, 636 of New York State's 705 major school districts have unlimited taxing power and 69 districts, wholly or in part within a city, have limited taxing powers.

Expenditure Variations

Regional variations in 1977-78 approved operating expenditures per pupil (AOE/TAPU) were similar to that for per pupil full value. In 13 of the BOCES regions, the ratio of the highest to the lowest spending district was 2 to 1 or more. In dollar terms, the greatest regional difference between the lowest and highest component district was \$5,903 per pupil in Suffolk 1. (See Appendix Table A-5.)

The magnitude of the differences also tends to be greater in BOCES regions within the New York City metropolitan area. In five of the seven regions in this SMSA the ratio between the highest and the lowest spending districts was over 2 to 1.

The variation between the highest and the lowest spending districts was greater than 2 to 1 in only seven of the 37 BOCES regions outside of the New York City metropolitan area.

Intraregional Tax Rate Variations

Tax rate variations also were evident within BOCES regions and those in the New York City SMSA tended to exhibit the widest variations. There are two reasons for this: the previously cited wealth differences within BOCES regions and the fact that per pupil expenditures were higher in New York City metropolitan area BOCES. In the Nassau BOCES region, for example, the dollar difference in tax rates between the component districts with the highest and lowest rates (as computed for 1978-79 high tax aid apportionment in the 1978-79 school year) was over \$20 per thousand of full valuation (Levittown, \$39.30; Locust Valley, \$19.00). Appendix Table A-6 presents similar data on all BOCES regions.

NEW YORK CITY STANDARD METROPOLITAN STATISTICAL AREA (SMSA) VS. REST OF STATE

Average taxable real property per pupil, average per pupil expenditure, and average full value tax rate variations are greater for BOCES regions within the New York City Standard Metropolitan Statistical Area (SMSA) than they are within BOCES regions in the rest of the State. These variations also appear when New York City and the BOCES regions in the New York City metropolitan area (i.e., Nassau, Putnam-Westchester 1, Rockland, Westchester 2, Suffolk 1, Suffolk 2, and Suffolk 3) are compared as a group to the BOCES regions in the remainder of the State.

Using estimated data for 1978-79 aid apportionment purposes, the New York City SMSA had a higher average full value per pupil (\$70,681) and a higher average operating expenditure level per pupil (\$2,223) than the rest of State (\$45,346 and \$1,604 respectively). Furthermore, the \$2,223 per pupil operating expense average for the New York City Standard Metropolitan Statistical Area was slightly above the 85th percentile statewide (\$2,194). Thus, 85 percent of all of the State's pupils -- but less than 50

percent of those in the New York City SMSA -- were in school districts with per pupil operating expenditures of less than \$2,194 in the 1977-78 school year.

A similar trend appeared when the New York City Standard Metropolitan Statistical Area average 1976-77 full value per pupil (\$70,681) was compared to the average wealth of the rest of the State (\$45,346). The New York City Standard Metropolitan Statistical Area average was nearly equal to the 85th pupil percentile statewide (\$72,001).

The dollar variation in per pupil expenditures (AOE/TAPU) and full valuation per pupil (FV/WTAPU) among the 176 districts in the New York City SMSA was larger than it was among 529 districts in the rest of the State. Although the FV/WTAPU ratio of wealthiest to poorest district was greater upstate than it was in the New York City area, the absolute dollar difference was much greater in the New York metropolitan area as Table 5 indicates.

The difference between the highest and lowest spending districts in the New York City metropolitan area in the 1978-79 school year was \$6,304 per pupil as compared to \$2,655 for the rest of the State.

BOCES regional full value per pupil averages, however, vary less for the remainder of the State than for the New York City Standard Metropolitan Statistical Area as shown in Table 6. However, the great disparity in wealth per pupil from wealthiest to poorest district was 21.1 to 1 for school districts but decreased to 4.2 to 1 when regional full value per pupil averages were used for the New York City SMSA.

When regional operating expense averages were used, the gap in per pupil operating expenditures was narrowed significantly. The highest regional average was only one and one-half times (1.5 to 1) as great as the lowest regional average outside of the New York City SMSA, and one and one-third times (1.3 to 1) as much as the lowest regional average within the New York City metropolitan area. (See Table 6.)

SUMMARY

Wide variations in per pupil expenditure levels result from the uneven distribution of taxable resources among New York State's public school districts. Although school district consolidation has tended to reduce the variations in per pupil wealth, per pupil operating expenditures, and tax rates, large differences continue to exist.

The purpose of this chapter was to compare these differences and to see whether the variation is as great on a regional basis.

Data presented in the chapter demonstrated that averaging per pupil wealth and per pupil expenditures on the basis of BOCES regions does reduce the range in wealth and per pupil expenditures, thus justifying investigation of a regional tax base model.

TABLE 5

1976-77 FULL VALUATION PER PUPIL (WTAPU) AND 1977-78 APPROVED OPERATING
EXPENSE PER PUPIL (TAPU) FOR NEW YORK CITY STANDARD METROPOLITAN
STATISTICAL AREA AND REST OF STATE

	New York City Standard Metropolitan Statistical Area ^b	Rest of State New York State ^c
<u>District Full Valuation Per Pupil (WTAPU)^a</u>		
Wealthiest	\$595,806 (Fishers Island)	\$257,105 (Menands)
Average ^d	70,681	45,346
Poorest	28,177 (Brentwood)	11,319 (Salmon River)
Ratio	21.1:1	22.7:1
* * * * *		
<u>District Approved Operating Expense Per Pupil (TAPU)^a</u>		
Highest	\$ 7,711 (Fishers Island)	\$ 3,734 (Menands)
Average ^d	2,223	1,604
Lowest	1,407 (Wm. Floyd)	1,079 (Prattsburg)
Ratio	5.5:1	3.5:1

^a 1976-77 full valuation per pupil and 1977-78 approved operating expense per pupil were derived from data on a State Education Department tape of June 19, 1978. Both are factors used in the formula for the apportionment of operating aid for the 1978-79 school year.

^b

New York City Standard Metropolitan Statistical Area includes New York City and seven BOCES regions (Nassau, Rockland, Suffolk 1, 2, 3, Westchester 1 and Putnam-Westchester 1), with a total of 176 major school districts.

^c Rest of New York State includes 37 BOCES regions and 529 major school districts.

^d Averages were calculated using a methodology similar to that described for BOCES Regions on page 22.

TABLE 6

1976-77 FULL VALUATION PER PUPIL (WTAPU) AND 1977-78 APPROVED OPERATING
EXPENSE PER PUPIL (TAPU) FOR THE NEW YORK CITY STANDARD METROPOLITAN
STATISTICAL AREA AND REST OF STATE

BOCES Region Average Full Valuation Per Pupil (WTAPU) ^a	New York City Standard Metropolitan Statistical Area ^b	Rest of New York State ^c
Wealthiest	\$180,955 (Suffolk 1)	\$85,479 (Sullivan)
Average ^d	70,681	45,346
Poorest	43,078 (Suffolk 2)	28,737 (Madison-Oneida)
Ratio	4.2:1	3.0:1

* * * * *

BOCES Region Average
Approved Operating
Expense Per Pupil
AOE/TAPU^a

Highest	\$ 2,528 (Nassau)	\$ 2,022 (Monroe 1)
Average ^d	2,223	1,604
Lowest	1,906 (Suffolk 2)	1,317 (Allegany)
Ratio	1.3:1	1.5:1

^a 1976-77 full valuation per pupil and 1977-78 approved operating expense per pupil were derived from data on a State Education Department tape of June 19, 1978. Both are factors used in the formula for the apportionment of operating aid for the 1978-79 school year.

^b The New York City Standard Metropolitan Statistical Area includes New York City and seven BOCES (Nassau, Rockland, Suffolk 1, 2, 3, Westchester 1, and Putnam-Westchester 1); there are 176 school districts in this SMSA.

^c Rest of New York State includes 37 BOCES regions and 529 school districts.

^d Averages were calculated using a methodology similar to that described for BOCES Regions on page 22.

DISCUSSION OF POSSIBLE REGIONAL TAX BASE MODEL

In New York State, proposals to equalize educational opportunities for public school pupils generally address at least one of three major issues:

- the disproportionate number of pupils with handicapping conditions and/or special education needs attending urban schools.
- the variations in educational commitment and/or tax effort among school districts.
- the disparities in relative wealth behind each pupil across the State -- especially in those geographical areas where school district consolidation has been minimal.

Since 1974 the needs of pupils with handicapping conditions and/or special educational needs have been addressed through special weightings in the operating aid formulas. Funding for categorical aids -- many of which are particularly beneficial to urban districts -- has also increased during the past five years. High tax aid has been available to high tax effort districts which have a relatively low real property wealth per pupil. A substantial portion of the high tax aid money has gone to suburban districts on Long Island. However, proposals to broaden the property tax base in order to generate additional educational revenues have not gained wide acceptance -- even though disparities in per pupil expenditures are increasing.

EVENTS OF MAY AND JUNE 1978

Because of events which took place during May and June 1978, the nature of future discussions regarding State school finance legislation in New York State may change.

- The New York State Court of Appeals (the State's highest court) ruled on May 9 that it was a violation of the State Constitution to exclude employer contributions for retirement, social security, health and dental insurance plans in the computation of property tax limits for the support of public schools in 46 school districts (all wholly or partly within a city) and two large cities (Rochester and Buffalo).¹ As a

¹ Bethlehem Steel Corporation v. City of Lackawanna, N.Y. (1978); Jones v. City of Geneva, N.Y. (1978); Waldert v. City of Rochester, N.Y. (1978).

result legislation authorizing temporary loans to the school districts most severely affected by the Court's ruling was adopted.² However, a more permanent formula change is needed before the spending capabilities of urban and suburban school districts can be equalized.

- California voters adopted, on June 6, a constitutional amendment curtailing the property tax revenues annually available to school districts and other local governmental units. This amendment, commonly referred to as Proposition #13, has sparked national interest in tax reduction and reform.
- A Nassau County Supreme Court ruling, on June 23, called attention to current variations in relative wealth per pupil among New York State's school districts. Further, the Court found that the State's current school finance apportionment system was unconstitutional since it did not adequately compensate for variations in per pupil wealth.

As a result of these events, alternative proposals designed to modify the existing operating aid apportionment system within New York State will be analyzed. The purpose of this report is to re-examine an old idea which may have some merit -- i.e., use of an expanded property tax base for the collection of revenues to support the State's public elementary and secondary schools.

REACTION TO PREVIOUS REGIONAL PROPOSALS

Numerous educational, legislative, and gubernatorial groups have examined various ways to expand the property tax base, and their efforts were reviewed in the second chapter of this report. Most of these groups opted for either a State or regional property tax base to provide revenues for the public schools. The advantages of these proposals, in terms of equalizing per pupil expenditures, are obvious. The differences in relative wealth, identified in the third chapter, are not as great with a regional tax base -- regardless of whether the base is a BOCES region, a county, a standard metropolitan statistical area, or an educational planning region.

None of the proposals advocating a regional or State tax base, as advanced during this decade, has received serious legislative consideration. The reasons for lack of acceptance vary; possible explanations include:

² New York State. Chapter 280 of the Laws of 1978.

- concern on the part of some representatives from school districts with high per pupil expenditures that access to local property tax revenues would be limited;
- opposition from taxpayer organizations in low spending districts because of anticipated increases in property tax levies;
- fear that urban communities might exercise even greater influence on suburban school districts; and
- an absence of accurate information as to the impact of proposed changes on school districts in terms of both local autonomy and financial aid.

POSSIBLE IMPACT OF NEW TAXPAYER ATTITUDES

The political climate in the next few years is expected to be markedly different from what it was in the early 1970's. Nationally, there is increasing evidence of voter opposition to current levels of taxation. In New York State, the 1978 legislative session has seen the enactment of a \$755 million reduction in State taxes for the 1978-79 State fiscal year. Moreover, there has been increasing discussion of possible legislative action to ensure that the taxable resources available to each school district are more comparable than they are currently.

The traditional political criteria for judging the merits of any school finance formula have been:

- the impact on State revenues,
- the type of operating aid losses proposed for individual districts,³ and
- the magnitude of the shifts in aid to school districts judged to be in greatest need of more State assistance.

Thus, the "politically ideal" school aid formula has featured (a) provisions for total dollar saveharmless aid for districts with declining enrollments and (b) the use of caps to limit increases in formula aid available to districts which had stable or growing pupil populations, lower than average increases in relative full valuation per pupil, or both. Districts falling into the latter category included (i) some of the

³ To date the New York Legislature has never enacted an apportionment plan which reduces a district's payable operating aid level.

State's larger cities, (ii) suburban districts with increasing enrollments, and (iii) low wealth rural districts which do not have declining enrollments and are not located in either popular vacation or forest land areas.

Although it is too soon to tell, a new political model for an ideal school finance system may evolve. If additional State funds for education are limited and if opposition to the property tax increases, the traditional political criteria for judging an operating aid formula may be viewed differently. Changes may occur if political pressure for increased aid for low wealth districts and large urban districts rises. These pressures, combined with a lack of additional State revenues, may make the traditional combination of saveharmless provisions and aid caps less acceptable. Although a regional tax base approach was unacceptable in the past, its validity may need to be reassessed in light of the new pressures.

The regional tax model, described in a later section of this chapter, has not been developed in sufficient detail to warrant legislative consideration at this time. Nevertheless, the model demonstrates that it is technically possible to use the taxable property wealth of each BOCES region to distribute \$2.62 billion in operating aid under a two-tier aid ratio formula similar to that enacted in 1978 for the apportionment of operating aid to public schools during the 1978-79 school year. The import of this model and related proposals appears to be sufficiently interesting to warrant future legislative consideration. Such consideration should include examination of the merits of both full and partial implementation of the model.

One of the reasons why a regional tax base model is a viable option today is that flat grant moneys distributed to wealthier districts in 1978-79 are insufficient to achieve equity through redistribution.

CONFRONTING THE MYTH OF THE HIGH WEALTH DISTRICTS

Although it is a tradition in New York State public school finance studies -- including those prepared by the State Budget Division -- to call attention to variations in taxable real property per pupil among the State's 705 major school districts, it is important to recognize that only 7.1 percent of the State's pupils (1977-78 TAPU) are located in districts (or New York City boroughs) with more than \$115,700 full valuation per pupil (1976-77 FV/WTAPU).⁴ Moreover, the 1978-79 formula operating aid for

⁴ Districts above this amount would receive no 1978-79 formula operating aid if the flat grant minimum guarantee of \$360 per pupil wasn't available.

these districts (including the borough of Manhattan) represents only 3.3 percent or \$86.0 million of the more than \$2.62 billion generated in formula operating aid for the 1978-79 school year. After saveharmless provisions and the maximum aid caps have been applied to 1978-79 formula operating aid, the actual amount to be paid to these wealthy districts is approximately \$44.6 million (1.7 percent of the \$2.52 billion State total).

One of the persistent myths has been that the way to solve the inequities in the existing public school finance system is to take money away from the State's wealthiest districts. The group of 57 wealthiest major districts and the borough of Manhattan have been analyzed to challenge this myth since they are the only districts which would be eligible for no formula aid in 1978-79 if the flat grant options of existing law were repealed.

The borough of Manhattan is eligible to claim about 62 percent (\$53.5 million) of the \$86.0 million potentially available in the 1978-79 school year under the flat grant portion of the formula for districts with more than \$115,700 full value per pupil. The remainder of the claimable formula aid for these districts is distributed as follows: \$7.2 million to 34 small districts in vacation and resort areas, \$11.2 million to 8 Nassau County districts, \$8.8 million to 7 Westchester County districts, and \$5.3 million to 8 districts located in Albany, Orange, Oswego, Schoharie, Suffolk, and Ulster counties. More information on the formula and payable operating amounts for these wealthy districts is provided below and in Appendix Table B-4.

Borough of Manhattan

The operating aid claim data presented to the State Education Department in August 1978 show that Manhattan has a full valuation per pupil for 1978-79 operating aid purposes of \$159,700. The current law formula allows the City to claim \$53.5 million in flat grant aid for Manhattan. However, these August 1978 aid claim data also indicate that the City will lose \$44.7 million because of a 1978 legislative provision which limits the size of the operating aid increases available to individual districts. Thus, it is possible to say that the City is only receiving an additional \$8.8 million in payable operating aid because of the flat grant guarantee (\$53.5 million in formula flat grant aid = \$44.7 million lost by the City's maximum aid cap = \$8.8 million).⁵

⁵ Although the most recent New York City data, as supplied to the Division by the State Education Department, is included in the text of the report for discussion purposes, all comparative tables use the lower City aid estimates transmitted to Budget by the Education Department on June 19, 1978.

Vacation Area Districts

Thirty-four of the wealthiest major districts are located in resort and vacation areas with a disproportionate share of property owners who reside outside the district. The 34 districts are small with an average pupil population (total aidable pupil units) of 534; their pupil populations range from 64 to 1,793. The 1978-79 formula operating aid for these high wealth, vacation area districts is expected to total \$7.2 million; payable operating aid, \$7.9 million. The group includes 14 of the 17 districts with more than \$200,000 full value per pupil, but in some of these districts the average taxable personal income of the permanent residents is relatively low. Other districts in the group have unique topography -- e.g., location on an island or in a remote section of the Adirondack Mountains.

Other Wealthy Districts

The 23 remaining districts are dispersed among nine counties. Nassau and Westchester are the only counties with as many as three wealthy districts located outside of vacation areas. In these two counties the payable operating aid total will exceed the formula aid total for each district with more than \$115,700 full valuation per pupil. Nassau's eight wealthy districts have a formula operating aid total of \$11.2 million and will receive an estimated \$12.7 million in payable operating aid. In Westchester the formula aid total for the seven wealthiest major districts is \$8.8 million and the payable aid total, \$9.4 million.

For all but one of the remaining eight districts in this group of 23, payable operating will exceed the formula operating aid amount in the 1978-79 school year. The formula aid total for the remaining 8 districts is \$5.3 million and the payable operating aid total, \$5.8 million.

Seventeen of this group of 23 wealthy districts have more than 2,000 pupils -- including 8 Nassau districts, 5 Westchester districts, 2 Suffolk districts, and one district each in Oswego and Ulster counties.

Conclusion

This discussion has attempted to put to rest the myth that redistribution of operating aids payable to wealthy school districts will solve the State's school finance problems. Since the maximum amount of money available from this source -- \$44.6 million in 1978-79 payable operating aid -- is insufficient, it is reason enough to examine the impact on operating aid distribution produced by the use of regional tax bases to help finance school district operating expenses.

DEVELOPMENT OF THE REGIONAL TAX BASE MODEL

In developing a regional tax base model for the apportionment of \$2.6 billion in State operating aid for 705 major school

districts in New York State, certain factors related to the existing school finance system have to be taken into consideration. Since these realities provided the context for the model and influenced the design and methodology of the study, they need to be identified at the onset.

1. New York State's Constitution would appear to permit a shifting of the property tax base for 738 independent school districts to 44 intermediate districts for all objects of expense -- except debt service.
2. The Big Five Cities would continue to be fiscally dependent -- i.e., have limited taxing powers -- until such time as the Constitution is changed.
3. Since BOCES regions are coterminous with current school district boundaries, the 44 BOCES regions and New York City would appear to be legitimate tax bases for the raising of educational revenues to support the public schools.
4. The 743 school districts could retain their local autonomy, i.e., general control and management of the public schools, with any move to a regional tax base.
5. Any change from the current school finance system to one funded by a regional tax base would require a phase-in period of several years to allow adequate time for study of the impact of such a proposal on all school districts in the State.
6. Expansion of the current school district property tax base to a BOCES region would reduce the disparities in school district wealth per pupil, tax yield, and per pupil expenditures.

Methodology Used to Estimate Formula Aid From a Regional Tax Base

This study examines the variations in full value taxable real property, tax rates, per pupil expenditures, and changes in aid to school districts with use of a regional tax base model in light of the foregoing context. Firm guarantees of local autonomy and a phase-in period should accompany implementation of any regional tax model.

For the purposes of the study reported in this chapter, formula operating aid totals were calculated on a regional basis. Each of the 44 BOCES regions and each of the five New York City boroughs were treated as a region (total of 49 regions).

Use of Borough Aid. Each of New York City's five boroughs was treated as a single region -- consistent with the provisions of existing law. If New York City had been treated as a single region, it would have three and one half times as many pupils

(990,402 TAPU) as Nassau which is the largest BOCES region (278,627 TAPU). The borough of Brooklyn, with 340,569 pupils (TAPU) is larger than any BOCES region, while Queens and Bronx with 240,328 and 198,397 pupils respectively are larger than 43 of the 44 BOCES regions. Only three BOCES are larger than Manhattan and 13, larger than Staten Island. (New York City TAPU counts are based on the City's August 1978 aid claim data.)

The objective of the regional aid computations was to allocate \$2.6 billion in formula operating aid to local school districts -- the same total dollar amount as that to be allocated under current law in the 1978-79 school year. Redistribution of aid on a regional basis reduced the \$2.6 billion formula aid available under current law for the 1978-79 school year by \$55 million. To achieve fiscal comparability the ceiling on Tier 2 of the operating aid formula was increased from \$1,500 to \$1,600 per pupil.⁶

Region Wealth Per Pupil. Each BOCES region and the five New York City boroughs were treated as single school districts for the apportionment of formula operating aid. The taxable real property wealth per pupil of a BOCES region was determined by summing the 1976 full valuation of each major school district within the BOCES region (including that of noncomponent districts) and dividing that figure by the sum of wealth pupils (1976-77 wealth total aidable pupil units) for the districts within the region. This regional calculation is described in greater detail in the third chapter.

Region Expense Per Pupil. The 1977-78 approved operating expense per pupil (AOE/TAPU) for each BOCES region was estimated using the same method as that for full value per pupil. The region's operating expense per pupil (1977-78 Region AOE/TAPU) was determined by summing the 1977-78 approved operating expense of each major district within the BOCES region and dividing by the total number of pupils (1977-78 TAPU).

Therefore, for purposes of formula operating aid calculation each district in the region was assumed to have a full value per pupil (FV/WTAPU) and operating expenditure per pupil (AOE/TAPU) equal to the average for the BOCES region.

Application of the Regional Tax Base Model in a Sample Region

The objective of the regional tax base model is to equalize the taxable real property wealth behind each pupil within the region.

⁶ The key features of the operating aid formula for the 1978-79 school year are summarized in the first chapter. The formula is contained in Section 3602 of the State Education Law, as amended by Chapters 74 and 593 of the Laws of 1978.

To illustrate the impact of use of a regional tax base upon districts within a given area, a sample region has been developed and is presented in Table 7. The region has four districts (A, B, C, and D) with identical pupil counts and taxable real property per pupil (WTAPU) levels which range from \$24,000 to \$116,000. The region's full valuation per pupil average -- \$60,000 -- is only slightly above that of the State average for the 1978-79 school year (\$59,000).

Operating expense per pupil levels if each district within the region has a full value tax rate equal to \$15 per thousand (i.e., 15 mills) are shown in Table 7 under four different tax base assumptions.

1. Current Law. Under the current law formula assumption each district's operating expense level is equal to the sum of its 1978-79 formula aid and the yield of a \$15 per thousand full value tax. Thus, wealthy District D (\$116,000 FV/WTAPU) may spend \$2,100 per pupil (TAPU) while low wealth district A (\$24,000 FV/WTAPU) can only reach an operating expense level of \$1,542 per pupil. State formula operating aid per pupil of \$1,182 for District A and \$360 for District D does not compensate fully for the tax base difference.
2. 5 Mill Regional Tax. If a five mill tax were levied across the entire BOCES region and if the funds were distributed to each of the districts within the region, a full value tax rate equal to \$15 per thousand of full valuation would allow low wealth District A to spend \$1,564 per pupil while the average expense per pupil of wealthy District D would drop to \$1,823. However, because of the tax base change, District A's State formula aid per pupil would now be \$1,024 while District D would receive \$363 per pupil.
3. 10 Mill Regional Tax. Action to provide uniform per pupil sharing of the yield from a 10 mill regional tax would substantially reduce the range of spending within this region. It would vary from a high of \$1,645 to a low of \$1,586 -- assuming all four districts continued to levy a full value tax of \$15 per thousand (15 mills). Thus, the variation in per pupil spending within the region is now less than \$100 per pupil.
4. 15 Mill Regional Tax. If all local taxes for operating expense purposes were collected for the sample BOCES on a regional tax base, all four districts would have an operating expense per pupil of \$1,607 -- the current law level of the sample district with a FV/WTAPU of \$60,000. This assumption thus allows all four districts to spend

(Text continued on page 49)

TABLE 7

PER PUPIL OPERATING EXPENSE LEVELS FOR SAMPLE SCHOOL DISTRICTS WITH DIFFERENT TAX BASES LOCATED IN A BOCES REGION IN WHICH ALL DISTRICTS HAVE A FULL VALUE TAX RATE OF \$15 PER THOUSAND UNDER FOUR DIFFERENT TAX BASE ASSUMPTIONS, 1978-79 SCHOOL YEAR

Sample Region Districts ^a	Full Valuation Per Pupil (FV/WTAPU)		Formula Operating Aid Per Pupil (Tier 2=\$1,500) ^d	Operating Expense Level Per Pupil Under Alternative Tax Base Assumptions ^e
	Under Current Law ^b	Inferred Under Alternative Tax Base Assumptions ^c		
(1)	(2)	(3)	(4)	(5)
I. CURRENT LAW (Assumes a \$15 per \$1,000 Local District Full Value Tax)				
District A	\$24,000	--	\$1,182	\$1,542
District B	40,000	--	971	1,571
District C	60,000	--	707	1,607
District D	116,000	--	360	2,100
Region Average	\$60,000	--	\$805	\$1,705
II. 5 MILL REGIONAL TAX (Assumes a \$10 per \$1,000 Local School District Full Value Tax and a Uniform Distribution of Revenues from a \$5 per \$1,000 Regional Full Value Tax)				
District A	\$24,000	\$36,000	\$1,024	\$1,564
District B	40,000	46,666	885	1,585
District C	60,000	60,000	707	1,607
District D	116,000	97,333	363	1,823
Region Average	\$60,000	\$60,000	\$744	\$1,644

TABLE 7 (continued)

Sample Region Districts ^a	Full Valuation Per Pupil (FV/WTAPU)		Formula Operating Aid Per Pupil (Tier 2=\$1,500) ^d	Operating Expense Level Per Pupil Under Alternative Tax Base Assumptions ^e
	Under Current Law ^b	Inferred Under Alternative Tax Base Assumptions ^c		
III. 10 MILL REGIONAL TAX (Assumes a \$5 per \$1,000 Local School District Full Value Tax and a Uniform Distribution of Revenues from a \$10 per \$1,000 Regional Full Value Tax)				
District A	\$24,000	\$48,000	\$866	\$1,586
District B	40,000	53,333	796	1,596
District C	60,000	60,000	707	1,607
District D	116,000	78,666	465	1,645
Region Average	\$60,000	\$60,000	\$708	\$1,608
IV. 15 MILL REGIONAL TAX (Assumes all Local Revenues for Operating Expense Raised from a \$15 per \$1,000 Regional Full Value Tax)				
District A	\$24,000	\$60,000	\$707	\$1,607
District B	40,000	60,000	707	1,607
District C	60,000	60,000	707	1,607
District D	116,000	60,000	707	1,607
Region Average	\$60,000	\$60,000	\$707	\$1,607

FOOTNOTES

TABLE 7

- a Each sample district is assumed to have 1,000 1977-78 total aidable pupil units (TAPU) and 1,000 1976-77 wealth total aidable pupil units (WTAPU). The 1976 full valuation (FV) levels for each of the sample districts are District A, \$24,000,000; District B, \$40,000,000; District C, \$60,000,000; and District D, \$116,000,000. Furthermore, it was assumed that each district had a 1977-78 approved operating expenditure per pupil (AOE/TAPU) of at least \$1,500.
- b Under current law for 1978-79 school year aid, the district's 1976-77 full valuation is divided by its 1976-77 wealth total aidable pupil units (WTAPU). The region average FV/WTAPU is the sum of the full valuation of all the districts in the region divided by the sum of the WTAPU of all the districts in the region
- $$\left(\frac{\$240,000,000}{4,000} = \$60,000 \right).$$
- c The inferred full valuation per pupil was used to calculate formula operating aid under each of the three alternative assumptions. The school district and regional average FV/WTAPU were weighted according to the ratio of the local school district tax rate to the regional tax rate. For example, under Assumption II, districts have a \$10 school district tax rate which is twice the \$5 regional average tax rate. Thus, for District A, the school district FV/WTAPU was counted twice (\$24,000 x 2) and the region FV/WTAPU was counted once (\$60,000). These amounts were then averaged to obtain an inferred FV/WTAPU for the district

$$\left(\frac{\$48,000 + \$60,000}{3} = \$36,000 \right).$$

FOOTNOTES

TABLE 7 (continued)

- d District formula operating aid per pupil was calculated using current law provisions and the inferred FV/WTAPU in column 3 for Assumptions II, III, and IV. The FV/WTAPU in column 2 was used for Assumption I (current law). All aid amounts shown in this table were calculated using a \$1,500 ceiling rather than the \$1,600 ceiling as used elsewhere in this report for regional aid purposes.
- e The per pupil operating expenditure under each of the alternative tax base assumptions was determined by combining the formula operating aid per pupil (column 4) with the per pupil local school district tax yield and the per pupil regional tax yield.

The per pupil school district tax yield is calculated by multiplying the total district full valuation by the local tax rate (expressed in dollars) and dividing the result by the district's TAPU. The local school district tax rates (expressed in dollars) for each assumption are: I, .015; II, .010; III, .005; and IV, none. For example, under Assumption II, District A would raise \$240 per pupil

$$\left(\frac{\$24,000,000 \times .010}{1,000} = \$240 \right).$$

Under Assumption IV, there would be no local tax yield.

The regional tax yield is calculated by multiplying the total region full valuation by the regional tax rate (expressed in dollars) and dividing by the total region TAPU. Each district in the region would receive the resulting per pupil yield. The regional tax rates (expressed in dollars) for each assumption are:

FOOTNOTES

TABLE 7 (continued)

I, none; II, .005; III, .010; and IV, .015. For example, under Assumption II, the region tax yield would be \$300 per pupil

$$\left(\frac{\$240,000,000 \times .005}{4,000} = \$300 \right).$$

Thus, each of the four districts would receive \$300 a pupil.

Expenditures for District A under Assumption II are determined as follows:

State Aid	+	Local Tax	+	Region Tax	=	Operating Expense
(\$1,024)		(\$240)		(\$300)		(\$1,564)

\$1,607 by combining 1978-79 formula operating aid with the yield of a \$15 per thousand full value regional tax rate.

Any of the last three assumptions would be more equalizing than the current law formula and would allow districts with a full value per pupil average below that for the total region to achieve higher spending levels than they can now achieve with a tax rate equal to that of the proposed regional tax. Because the fourth assumption most fully implements the model and it is also technically easiest to compute, discussions in the remainder of the chapter focus solely on the impact of the use of a regional tax base model for full financing of school district operating expenses.

Formula Operating Aid Options for Regional Tax Base Model

Two-Tier Aid Ratio Formula. If a full regional tax base model were introduced with the current law options, the two-tier aid formula option would be most beneficial for 42 of the 44 BOCES regions and for four of New York City's five boroughs (total 46).⁷

All of these 46 regions would qualify for the maximum amount of aid under the Tier 1 formula -- since, pursuant to the provisions of current law, each region was treated as though its 1977-78 approved operating expense per pupil was at least \$1,450.

Only BOCES regions with average per pupil expenditures of more than \$1,451 were eligible for Tier 2 aid. Out of the 42 BOCES regions aided in this model under the two-tier aid ratio option, 32 had 1977-78 approved operating expense averages above \$1,451 per pupil -- including 19 with per pupil expense averages above \$1,600.

Flat Grant Guarantees. If a regional tax base model was instituted this year with the current law formula as modified,⁸ Suffolk 1 BOCES and the borough of Manhattan would not be entitled to any formula operating aid under the two-tier aid ratio formula. However, they would be entitled to a \$360 per pupil minimum flat grant guarantee. Together, these two areas received a total of \$61.3 million in flat grant guarantees in this model, with \$53.5 million or 87 percent allocated to the Borough of Manhattan.

Similarly, Westchester 2 (\$92,274 full value per pupil) would receive \$43.3 million in formula operating aid under the flat grant taper; 25 percent more than the region would receive under the two-tier option.

⁷ Operating aid calculations for New York City used aid claim data received in August 1978 from the New York City Board of Education.

⁸ The modification refers to an increase in the Tier 2 ceiling from \$1,500 to \$1,600 per pupil as described in the text.

Aid Changes With A Regional Tax Base Model

Because of the methodology used to calculate aid, New York City receives the same amount of formula operating aid using either a district or a regional model. However, as shown in Table 8, the rest of the State receives \$55 million less in formula operating aid using a regional model if the Tier 2 ceiling remained at \$1,500: \$22 million in Tier 1 aid and \$33 million in flat grant guarantees.

Inasmuch as the objective of the regional aid calculations was to apportion \$2.6 billion in formula aid, it was necessary to compensate for this reduction in aid to the rest of the State. Comparability was achieved by increasing the current Tier 2 ceiling from \$1,500 to \$1,600. This change increases New York City's formula aid by \$26 million or 3.7 percent and that of the rest of the State, by \$38 million or 2.1 percent. In both cases the increases took place only for regions with per pupil expenditure averages above \$1,500 since the region's average operating expense per pupil (AOE/TAPU) was used in the regional Tier 2 aid formula.

Dollars Shift To Lower Wealth Areas. Outside the New York City metropolitan area, the shift in formula operating aid with the method described differs for regions spending more than \$1,500 per pupil vs. those spending less than \$1,500 per pupil. In the higher average expense regions, the tax model tended to reduce formula aid for regions with more than \$58,000 full value per pupil and to increase formula operating aid for regions with less than \$58,000 full value per pupil (see Appendix Table B-2).

- Six of the seven regions with per pupil wealth exceeding \$60,000 (FV/WTAPU) would lose formula operating aid. The decreases would range from 1.5 percent (Rockland) to 23.1 percent (Sullivan). Formula operating aid for Suffolk 1, the wealthiest region (\$180,955 FV/WTAPU), would remain unchanged.
- Sixteen of the 20 regions with 1976-77 FV/WTAPU below \$58,000 and spending more than \$1,500 per pupil (AOE/TAPU) would receive increases in formula operating aid. The increase in aid would range from 1.2 percent (Schuyler-Chemung-Tioga) to 5.8 percent (Cayuga). The four remaining regions would experience decreases in aid with decreases ranging from 4.0 percent (Washington-Warren-Hamilton) to 0.1 percent (Jefferson-Lewis).⁹

⁹ Because three of these four BOCES regions have averages for 1977-78 AOE/TAPU between \$1,500 and \$1,600, their aid payments would change if each were credited with an AOE/TAPU of \$1,600 for purposes of Tier 2 aid calculations. If such a change occurred, only two of the 20 districts described in this paragraph and shown in Appendix Table B-2 would have potential formula aid losses (Orange-Ulster-Sullivan, 3.4 percent and Washington-Warren-Hamilton, 1.0 percent.)

TABLE 8

1978-79 FORMULA OPERATING AID APPORTIONMENT UNDER CURRENT LAW AND WITH USE OF A REGIONAL TAX BASE MODEL

<u>Formula Operating Aid Options</u>	<u>1978-79 Current Law^a</u>			<u>Regional Tax Base Model^b</u>		
	<u>New York City^c</u>	<u>Rest of State</u>	<u>Total State</u>	<u>New York City^c</u>	<u>Rest of State</u>	<u>Total State</u>
-----Amounts in thousands-----						
<u>Two-Tier Option^d</u>						
Tier 1	\$649,089	\$1,798,637	\$2,447,726	\$649,089	\$1,776,144	\$2,425,233
Tier 2 ^e						
\$1,500	13,161	25,466	38,627	(13,161) ^h	(25,622)	(38,783)
1,600	---	---	---	39,482	63,890	103,372
<u>Flat Grant Guarantees^f</u>	53,515	83,780	137,295	53,515	51,084	104,599
<u>TOTALS^g</u>						
Tier 2 at \$1,500	\$715,765	\$1,907,883	\$2,623,648	(\$715,765)	(\$1,852,850)	(\$2,568,615)
Tier 2 at \$1,600	---	---	---	\$742,086	\$1,891,118	\$2,633,204

FOOTNOTES

TABLE 8

- a For an explanation of how current law formula aid is calculated, see Appendix Table B-1. The numbers shown in this table were obtained from an August 23, 1978 State Education Department computer run based on the Department's May 10, 1978 data base with hand corrections to reflect the aid claim data reported by the New York City Board of Education on its 1978-79 SA-124 form.
- b For an explanation of how formula aid was calculated for the regional tax base model, see Appendix Table B-1. In this section of the table, summary data are presented on the comparative costs of a Tier 2 ceiling at \$1,500 and at \$1,600 per pupil.
- c The method used to calculate New York City aid is the same under both current law and the regional tax base model.
- d Both under current law and the regional tax base model, formula aid was calculated under the two-tier aid ratio option for all units which had a full valuation per pupil of less than \$86,000.
- e The Tier 2 level is \$1,500 per pupil under current law. In calculating regional formula operating aid, the Tier 2 level was set at \$1,600 per pupil so that total region formula operating aid would be approximately equal to the total formula operating aid under current law.
- f Both under current law and the regional tax base model, formula aid was calculated under the flat grant taper for all units which had a full valuation per pupil from \$86,000 to \$101,000. All units with more than \$101,000 FV/WTAPU were given the \$360 per pupil minimum flat grant guarantee.
- g Two different totals are provided for the regional tax base model -- one using the current law Tier 2 ceiling of \$1,500 per pupil (these numbers are shown in parentheses) and one using a Tier 2 ceiling of \$1,600 per pupil.
- h Calculations with the Tier 2 ceiling set at \$1,500 per pupil are shown in parentheses for the regional tax base model.

Seventeen of the low wealth regions (below \$47,000 FV/WTAPU) had average expenditures of less than \$1,500 per pupil (AOE/TAPU) in 1977-78. Thirteen of these 17 regions would lose aid under this particular regional tax base model. However, the loss in formula operating aid in these 13 regions generally would be minimal. In only four regions would the decrease be greater than one percent.¹⁰

Payable Operating Aid vs. Formula Operating Aid Shifts.
Appendix B-3 illustrates how each of the 23 regions showing a decrease in formula operating aid (Appendix Table B-2) would fare when comparing 1978-79 payable operating aid (Tier 2 = \$1,500) with 1978-79 regional formula operating aid (Tier 2 = \$1,600).

Only four of the 13 low wealth (below \$47,000 FV/WTAPU) and low expenditure (below \$1,500 per pupil) regions showing regional formula operating aid losses would also experience decreases in 1978-79 payable operating aid (Tier 2 = \$1,500).

By contrast, the seven high wealth regions showing formula operating aid losses also have less 1978-79 regional formula operating aid than 1978-79 payable operating aid. In this case, the magnitude of the decrease tends to be greater because under current law, payable operating aid exceeds formula operating aid for these seven regions.

Alternative Operating Aid Systems Under a Regional Tax Base Model

All property tax revenues under the regional tax base model described in this chapter would be raised by means of a regional tax. Those revenues would be distributed to the school districts within the region on a per pupil basis. Therefore, the sources of a district's money for the objects of expense financed in this way would consist of State aid and of the district's designated share of the regional property tax yield. An alternative to this approach would be to have certain expense objects financed from both a regional property tax and a district property tax. In this case, the money available to a school district would come from three sources: a regional property tax, a school district property tax and State aid. As the proportion of the full value tax rate levied on the regional level increases, equalization of expenditures also increases (see Table 7).

Another alternative would be to allocate Tier 2 aid using a \$1,600 ceiling for all BOCES -- including those in which the

¹⁰ Further, 12 of the 13 low wealth regions with formula aid losses would have formula aid increases if Tier 2 aid under a \$1,600 ceiling was paid without regard to expense level. (Oswego BOCES is the only one of these regions which would still lose aid, but its formula aid loss would be 3.0 percent instead of the 8.9 percent shown in Appendix Table B-2.)

average operating expense is less than \$1,600 per pupil. Payable operating aid losses for 12 of the 13 BOCES regions which are both low wealth (less than \$47,000 FV/WTAPU) and low expense (less than \$1,500 AOE/TAPU) could be prevented with this approach.

In high wealth regions which have a mix of flat grant and lower wealth districts, a new apportionment system would be required to maintain current formula aid levels.

SUMMARY

During the 1970's there has been increasing interest in efforts designed to achieve greater equalization among local school districts in New York State. However, no universally accepted definition of equalization has yet emerged. While proposals designed to enlarge the tax bases of districts have not gained the necessary legislative acceptance, the validity of such proposals needs to be reassessed in light of recent developments -- particularly in light of the fact the current school finance system has been declared unconstitutional in a State Supreme Court decision (Nassau County).

New York State school finance data for the 1978-79 school year demonstrate that the moneys which could be obtained from repeal of the minimum guarantees provided for the State's wealthiest districts (i.e., those with more than \$115,700 full value per pupil) are inadequate to equalize school district operating expenditures through the redistribution of such moneys.

The major purpose of this chapter was to analyze the impact of a regional tax base model upon variations in per pupil operating expense for districts located within BOCES regions. Variations in district spending for four districts within a sample BOCES region were examined using both current law and the redistribution of 5 mill, 10 mill and 15 mill regional tax levies. The least variation in per pupil expenditures occurred with a 15 mill regional tax distributed equally among school districts located within the BOCES region. The final section of the chapter describes one alternative approach to the distribution of formula operating aid to 44 BOCES regions and New York City with full implementation of a regional tax base plan.

APPENDIX A: STATISTICAL TABLES

Text references to the tables in Appendix A are found in the third chapter of this report, School District and Regional Variations in Per Pupil Wealth, Per Pupil Operating Expenditures and Tax Rates.

All of the statistical data which are reported in this Appendix and which relate to 1978-79 current law formula factors are based on a district-by-district computer tape of June 19, 1978 supplied to the New York State Budget Division by the State Education Department.

All footnotes for tables in this Appendix appear at the bottom of the table or on the page immediately following the table. Within the footnotes, differences between New York City data found on the June 19 tape and aid claim data reported by the City to the State Education Department in August 1978 have been noted.

Names for BOCES regions vary depending upon the source. For purposes of this report, the name of each BOCES region was taken from Table 4 of the State Education Department's Code Manual for Public School Districts of New York State, 1976-77.

APPENDIX TABLE A-1

44 BOCES REGIONS RANKED BY SQUARE MILES WITH AVERAGE DISTRICT SIZE, 1977-78 SCHOOL YEAR

BOCES Regions	Rank From High to Low ^a	Number of Square Miles ^b	Number of School Districts Located Within Region ^c	Average District Size ^d
Jefferson-Lewis	1	2,665	18	148
St. Lawrence	2	2,615	19	138
Franklin	3	2,373	9	264
Clinton-Essex	4	1,886	18	105
Washington-Warren- Hamilton	5	1,760	21	84
Delaware-Chenango- Madison-Otsego	6	1,651	18	92
Greene 2	7	1,592	21	76
Ontario-Seneca- Wayne-Yates	8	1,467	26	56
Steuben-Allegany	9	1,416	18	79
Rensselaer-Columbia	10	1,165	22	53
Chautauqua	11	1,153	19	61
Hamilton-Fulton- Montgomery	12	1,076	14	77
Sullivan	13	1,069	10	107
Albany-Schoharie- Schenectady	13	1,069	26	41
Cattaraugus-Erie- Wyoming	15	1,051	13	81
Broome	16	1,023	15	68
Oswego	17	1,015	9	113
Onondaga-Madison	18	974	20	49
Livingston-Steuben- Wyoming	19	918	12	77
Orange-Ulster-Sullivan	20	881	17	52
Dutchess	21	813	13	63
Ulster	22	784	8	98
Saratoga-Warren	23	771	11	70
Orleans-Niagara	24	765	13	59
Allegany	25	760	13	58
Genesee-Wyoming	26	741	10	74
Herkimer-Fulton- Hamilton	27	727	13	56
Erie 2	28	614	9	68
Cayuga	29	613	7	88
Tompkins-Seneca-Tioga	30	597	8	75

APPENDIX TABLE A-1 (Continued)

<u>BOCES Regions</u>	<u>Rank From High to Low^a</u>	<u>Number of Square Miles^b</u>	<u>Number of School Districts Located Within Region^c</u>	<u>Average District Size^d</u>
Schuyler-Chemung- Tioga	31	594	7	85
Cortland	32	538	6	90
Madison-Oneida	33	506	10	51
Putnam-Westchester 1	34	486	18	27
Oneida-Hamilton- Herkimer	35	469	14	34
Erie 1	36	460	22	21
Monroe 2	37	402	9	45
Suffolk 1	38	380	22	17
Suffolk 2	39	312	25	12
Nassau	40	289	56	5
Monroe 1	41	247	11	22
Rockland	42	207	8	26
Suffolk 3	43	191	18	11
Westchester 2	44	150	28	5

^a BOCES regions were ranked from high (1) to low (44) according to the total square miles of all major school districts geographically located within each BOCES region.

^b The number of square miles of each major school district within a BOCES region was summed by region. Data were obtained from a New York State Education Department tape of June 19, 1978.

^c The number of major school districts located within each BOCES region was determined from a State Education Department tape of June 19, 1978.

^d This column was calculated by dividing the total square miles for each BOCES region by the number of major school districts within the region.

APPENDIX TABLE A-2

MAJOR SCHOOL DISTRICTS WITH MORE THAN 150 SQUARE MILES RANKED
FROM HIGH TO LOW, 1977-78 SCHOOL YEAR

Major School District and County		Rank From High to Low	Number of Square Miles ^a
Saranac Lake	(Franklin)	1	602
Town of Webb	(Herkimer)	2	436
Long Lake	(Hamilton)	3	386
Malone	(Franklin)	4	366
Gouverneur	(St. Lawrence)	5	331
Schroon Lake	(Essex)	6	329
Lowville	(Lewis)	7	324
Clifton Fine	(St. Lawrence)	8	296
Tupper Lake	(Franklin)	9	279
S. Lewis	(Lewis)	10	275
Wells	(Hamilton)	11	269
Indian Lake	(Hamilton)	12	265
Indian River	(Jefferson)	12	265
Colton-Pierrepont	(St. Lawrence)	14	258
Newcomb	(Essex)	15	252
Beaver River	(Lewis)	16	248
Corning	(Steuben)	17	233
Onteora	(Ulster)	18	220
Sandy Creek	(Oswego)	19	205
Northern Adirondack	(Clinton)	20	201
Lake Pleasant	(Hamilton)	21	195
Johnsburg	(Warren)	22	191
Monticello	(Sullivan)	23	190
Tri Valley	(Sullivan)	24	188
Parishville Hopkinton	(St. Lawrence)	25	186
Central Square	(Oswego)	26	180
Carthage	(Jefferson)	27	179
Harrisville	(Lewis)	28	176
Knox Memorial	(St. Lawrence)	29	174
Elizabethtown	(Essex)	30	170

APPENDIX TABLE A-2 (Continued)

<u>Major School District and County</u>		<u>Rank From High to Low</u>	<u>Number of Square Miles^a</u>
Altmar Parish	(Oswego)	31	167
Hadley Luzerne	(Warren)	32	166
Penn Yan	(Yates)	33	165
Keene	(Essex)	34	161
Berlin	(Rensselaer)	34	161
Saranac	(Clinton)	36	159
Hunter Tannersville	(Greene)	37	157
Brasher Falls	(St. Lawrence)	38	154
Ithaca	(Tompkins)	38	154
S. Jefferson	(Jefferson)	40	151

^a Data on the number of square miles in each school district were derived from a New York State Education Department tape of June 19, 1978.

APPENDIX TABLE A-3

BOCES REGION AVERAGE 1976-77 FULL VALUATION PER PUPIL RANKED
FROM LOW TO HIGH

BOCES Region ^a	Average Full Valuation Per Pupil (1976-77 FV/ WTAPU)		Total Pupils (1977-78 TAPU) ^d	Average Approved Operating Expense Per Pupil (1977-78 AOE/TAPU) ^e
	Amount ^b	Rank ^c		
Madison-Oneida	\$ 28,737	1	28,499	\$1,338
St. Lawrence	32,151	2	28,453	1,479
Herkimer-Fulton-Hamilton	32,615	3	17,734	1,347
Allegany	32,704	4	10,689	1,317
Cayuga	33,189	5	16,174	1,645
Cattaraugus-Erie-Wyoming	33,400	6	20,118	1,452
Oneida-Hamilton-Herkimer	34,881	7	35,938	1,409
Jefferson-Lewis	35,804	8	29,506	1,513
Steuben-Allegany	35,879	9	26,214	1,430
Clinton-Essex	37,339	10	25,086	1,509
Schuyler-Chenung-Tioga	37,464	11	28,665	1,503
Saratoga-Warren	37,959	12	36,465	1,419
Genesee-Wyoming	38,114	13	18,052	1,459
Orleans-Niagara	38,152	14	58,485	1,646
Broome	38,464	15	57,858	1,537
Cortland	39,234	16	11,114	1,402
Livingston-Steuben-Wyoming	39,758	17	19,533	1,441
Chautauqua	39,918	18	33,604	1,535
Franklin	40,211	19	13,708	1,405
Erie 2	40,418	20	29,734	1,611
Hamilton-Fulton-Montgomery	40,955	21	23,548	1,470
Ontario-Seneca-Wayne-Yates	41,695	22	55,534	1,493
Delaware-Chenango-				
Madison-Otsego	41,774	23	23,763	1,464
Onondaga-Madison	42,507	24	105,574	1,641
Suffolk 2	43,078	25	182,853	1,906
Oswego	44,963	26	29,696	1,427
Rensselaer-Columbia	46,353	27	50,364	1,494
Washington-Warren-Hamilton	47,826	28	27,878	1,521
Erie 1	48,881	29	174,655	1,736
Tompkins-Seneca-Tioga	49,359	30	18,676	1,538
Monroe 2	50,629	31	44,314	1,823
Suffolk 3	50,933	32	135,997	2,212
Dutchess	52,498	33	54,112	1,641
Orange-Ulster-Sullivan	55,625	34	62,464	1,600
Albany-Schenectady-				
Schoharie	56,838	35	87,611	1,669

APPENDIX TABLE A-3 (Continued)

BOCES Region ^a	Average Full Valuation Per Pupil (1976-77 WTAPU)		Total Pupils (1977-78 TAPU) ^d	Average Approved Operating Expense Per Pupil (1977-78 AOE/TAPU) ^e
	Amount ^b	Rank ^c		
Ulster	\$57,201	36	32,622	\$1,675
Monroe 1	57,730	37	98,965	2,022
Greene 2	64,518	38	14,663	1,541
Rockland	68,915	39	59,330	2,202
New York City ^f	72,011	40	968,840	2,163
Nassau	74,525	41	278,627	2,528
Putnam-Westchester 1	77,426	42	63,479	2,299
Sullivan	85,479	43	12,921	1,735
Westchester 2	92,274	44	117,749	2,443
Suffolk 1	180,955	45	21,535	2,398

Selected Pupil Percentiles^g

5th	\$35,804	(Jefferson-Lewis BOCES)
10th	33,152	(Orleans-Niagara BOCES)
25th	43,078	(Suffolk 2 BOCES)
Median	57,201	(Ulster BOCES)
75th	72,011	(New York City)
90th	74,525	(Nassau BOCES)
95th	77,426	(Putnam-Westchester 1 BOCES)

FOOTNOTES

APPENDIX TABLE A-3

- a Boards of Cooperative Educational Services (BOCES) are intermediate districts headed by a district superintendent. School districts which do not presently belong to a BOCES have been included in the BOCES where they are located. New York City is shown as a single unit in this table.
- b The 1976-77 average full valuation per wealth total aidable pupil unit (FV/WTAPU) for each BOCES region was calculated by dividing the total 1976 full valuation of the major school districts in the region by the total 1976-77 WTAPU of the major school districts in the region.
- c Districts were ranked from low (1) to high (45).
- d 1977-78 total aidable pupil units (TAPU) for each BOCES region were calculated by summing the TAPU of all major school districts within the region.
- e The 1977-78 average approved operating expenditure per pupil (AOE/TAPU) for each BOCES region was computed by dividing the total 1977-78 approved operating expenditures (AOE) of the major school districts in the region by the 1977-78 total aidable pupil units (TAPU) of the major school districts in the region.
- f If the August 1978 aid claim data for New York City were substituted for the June 19, 1978 State Education Department tape data shown in this table, the three numbers shown for New York City would be \$70,377 (FV/WTAPU), 990,402 (TAPU), and \$1,859 (AOE/TAPU).
- g Percentile levels show the percent of the State's pupils (TAPU) in regions with per pupil wealth (FV/WTAPU) equal to or less than the FV/WTAPU of the district at that percentile level. For example, five percent of the State's pupils are in regions with wealth of \$35,804 per pupil or less.

APPENDIX TABLE A-4

BOCES REGION AVERAGE 1977-78 APPROVED OPERATING
EXPENSE PER PUPIL RANKED FROM LOW TO HIGH

BOCES Region ^a	Average Approved Operating Expense Per Pupil (1977-78 AOE/TAPU) ^b		Total Pupils (1977-78 TAPU) ^d	Average Full Valuation Per Pupil (1976-77 FV/WTAPU) ^e
	Amount ^b	Rank ^c		
Allegany	\$1,317	1	10,089	\$32,704
Madison-Oneida	1,338	2	28,499	28,737
Herkimer-Fulton-Hamilton	1,347	3	17,734	32,615
Cortland	1,402	4	11,114	39,234
Franklin	1,405	5	13,708	40,211
Oneida-Hamilton-Herkimer	1,409	6	35,938	34,881
Saratoga-Warren	1,419	7	36,465	37,959
Oswego	1,427	8	29,696	44,963
Steuben-Allegany	1,430	9	26,214	35,879
Livingston-Steuben-Wyoming	1,441	10	19,533	39,758
Cattaraugus-Erie-Wyoming	1,452	11	20,118	33,400
Genesee-Wyoming	1,459	12	18,052	38,114
Delaware-Chenango-Madison- Otsego	1,464	13	23,763	41,774
Hamilton-Fulton-Montgomery	1,470	14	23,548	40,955
St. Lawrence	1,479	15	28,453	32,151
Ontario-Seneca-Wayne-Yates	1,493	16	55,534	41,695
Rensselaer-Columbia	1,494	17	50,364	46,353
Schuyler-Chenung-Tioga	1,503	18	28,665	37,464
Clinton-Essex	1,509	19	25,086	37,339
Jefferson-Lewis	1,513	20	29,506	35,804
Washington-Warren-Hamilton	1,521	21	27,878	47,826
Chautauqua	1,535	22	33,604	39,918
Broome	1,537	23	57,858	38,464
Tompkins-Seneca-Tioga	1,538	24	18,676	49,359
Greene 2	1,541	25	14,663	64,518
Orange-Ulster-Sullivan	1,600	26	62,464	55,625
Erie 2	1,611	27	29,734	40,418
Dutchess	1,641	28	54,112	52,498
Onondaga-Madison	1,641	29	105,574	42,507
Cayuga	1,645	30	16,174	33,189

APPENDIX TABLE A-4 (Continued)

BOCES Region ^a	Average Approved Operating Expense Per Pupil (1977-78 AOE/TAPU)		Total Pupils (1977-78 TAPU) ^d	Average Full Valuation Per Pupil (1976-77 FV/WTAPU) ^e
	Amount ^b	Rank ^c		
Orleans-Niagara	\$1,646	31	58,485	\$38,152
Albany-Schenectady-Schoharie	1,669	32	87,611	56,838
Ulster	1,675	33	32,622	57,201
Sullivan	1,735	34	12,921	85,479
Erie 1	1,736	35	174,655	48,881
Monroe 2	1,823	36	44,314	50,629
Suffolk 2	1,906	37	182,853	43,078
Monroe 1	2,022	38	98,965	57,730
New York City ^f	2,163	39	968,840	72,011
Rockland	2,202	40	59,330	68,915
Suffolk 3	2,212	41	135,997	50,933
Putnam-Westchester 1	2,299	42	63,479	77,426
Suffolk 1	2,398	43	21,535	180,955
Westchester 2	2,443	44	117,749	92,274
Nassau	2,528	45	278,627	74,525

Selected Pupil Percentiles^g

5th	\$1,427	(Oswego BOCES)
10th	1,479	(St. Lawrence BOCES)
25th	1,641	(Dutchess BOCES)
Median	2,022	(Monroe 1 BOCES)
75th	2,163	(New York City)
90th	2,443	(Westchester 2 BOCES)
95th	2,528	(Nassau BOCES)

FOOTNOTES

APPENDIX TABLE A-4

- a Boards of Cooperative Educational Services (BOCES) are intermediate districts headed by a district superintendent. School districts which do not presently belong to a BOCES Have been included in the BOCES where they are located. New York City is shown as a single unit in this table.
- b The 1977-78 average approved operating expenditure per pupil (AOE/TAPU) for each BOCES region was computed by dividing the total 1977-78 approved operating expenditures (AOE) of the major school districts in the region by the 1977-78 total aidable pupil units (TAPU) of the major school districts in the region.
- c Districts were ranked from low (1) to high (45).
- d 1977-78 total aidable pupil units (TAPU) for each BOCES region were calculated by summing the TAPU of all major school districts within the region.
- e The 1976-77 average full valuation per wealth total aidable pupil unit (FV/WTAPU) for each BOCES region was calculated by dividing the total 1976 full valuation of the major school districts in the region by the total 1976-77 WTAPU of the major school districts in the region.
- f If the August 1978 aid claim data for New York City were substituted for the June 19, 1978 State Education Department tape data shown in this table, the three numbers shown for New York City would be \$1,859 (AOE/TAPU), 990,442 (TAPU), and \$70,377 (FV/WTAPU). Thus, if these AOE/TAPU data had been used the City would have a rank of 37 (instead of 39).
- g Percentile levels show the percent of the State's pupils (TAPU) in regions with per pupil wealth (FV/WTAPU) equal to or less than the AOE/TAPU of the district at that percentile level. For example, five percent of the State's pupils are in regions with an AOE/TAPU of \$1,427 or less.

APPENDIX TABLE A-5

APPROVED OPERATING EXPENSE PER PUPIL AND FULL VALUATION PER PUPIL, BY BOCES REGION,
FOR FORMULA OPERATING AID APPORTIONMENT, 1978-79 SCHOOL YEAR

BOCES Region ^a	Number of Dists.	Approved Operating Expense Per Pupil (AOE/TAPU) ^b				Full Valuation Per Pupil (FV/WTAPU) ^c			
		Lowest District	Region Average	Highest District	Ratio of Highest to Lowest	Lowest District	Region Average	Highest District	Ratio of Highest to Lowest
Albany-Schenectady- Schoharie	26	\$1,164	\$1,669	\$3,734	3.2	\$33,490	\$56,838	\$257,105	7.7
Allegany	13	1,106	1,317	1,640	1.5	21,254	32,704	56,860	2.7
Broome	15	1,232	1,537	1,684	1.4	20,929	38,464	76,784	3.7
Cattaraugus-Erie- Wyoming	13	1,261	1,452	1,634	1.3	21,044	33,400	44,115	2.1
Cayuga	7	1,360	1,645	1,891	1.4	23,047	33,189	38,234	1.7
Chautauqua	19	1,307	1,535	1,899	1.5	24,920	39,918	91,809	3.7
Clinton-Essex	18	1,289	1,509	2,535	2.0	19,068	37,339	226,020	11.9
Cortland	6	1,321	1,402	1,534	1.2	30,110	39,234	47,071	1.6
Delaware-Chenango- Madison-Otsego	18	1,197	1,464	1,900	1.6	26,333	41,774	196,959	7.5
Dutchess	13	1,471	1,641	1,909	1.3	42,160	52,498	81,850	1.9
Erie 1	22	1,428	1,736	2,280	1.6	33,252	48,881	83,591	2.5
Erie 2	9	1,375	1,611	1,734	1.3	30,241	40,418	52,532	1.7
Franklin	9	1,181	1,405	2,464	2.1	11,319	40,211	87,620	7.7
Genesee-Wyoming	10	1,234	1,459	1,876	1.5	27,116	38,114	56,566	2.1
Greene 2-Delaware- Schoharie-Otsego	21	1,181	1,541	2,388	2.0	38,424	64,518	169,581	4.4

APPENDIX TABLE A-5 (Continued)

BOCES Region ^a	Number of Dists.	Approved Operating Expense Per Pupil (AOE/TAPU) ^b				Full Valuation Per Pupil (FV/WTAPU) ^c			
		Lowest District	Region Average	Highest District	Ratio of Highest to Lowest	Lowest District	Region Average	Highest District	Ratio of Highest to Lowest
Hamilton-Fulton- Montgomery	14	\$1,171	\$1,470	\$2,877	2.5	\$ 27,824	\$40,955	\$221,546	7.9
Herkimer-Fulton- Hamilton	13	1,215	1,347	1,547	1.3	22,178	32,615	57,423	2.6
Jefferson-Lewis	18	1,282	1,513	2,018	1.6	18,683	35,804	201,201	10.8
Livingston-Steuben- Wyoming	12	1,242	1,441	1,633	1.3	30,261	39,758	75,335	2.5
Madison-Oneida	10	1,184	1,338	1,659	1.4	17,216	28,737	49,142	2.9
Monroe 1	11	1,663	2,022	2,430	1.5	38,918	57,730	73,759	1.9
Monroe 2	9	1,461	1,823	2,092	1.4	28,524	50,629	65,585	2.3
Nassau	56	1,908	2,528	3,804	2.0	34,742	74,525	162,196	4.7
Oneida-Hamilton- Herkimer	14	1,232	1,409	1,511	1.2	20,464	34,881	62,484	3.1
Onondaga-Madison	20	1,304	1,641	2,172	1.7	26,082	42,507	76,774	2.9
Ontario-Seneca-Wayne- Yates	26	1,247	1,493	2,727	2.2	26,161	41,695	65,754	2.5
Orange-Ulster-Sullivan	17	1,330	1,600	2,813	2.1	32,525	55,625	196,708	6.0
Orleans-Niagara	13	1,365	1,646	1,968	1.4	23,832	38,152	48,878	2.1
Oswego	9	1,115	1,427	1,878	1.7	19,431	44,963	123,141	6.3
Putnam-Westchester 1	18	1,820	2,299	3,223	1.8	44,426	77,426	215,039	4.8

APPENDIX TABLE A-5 (Continued)

BOCES Region ^a	Number of Dists.	Approved Operating Expense Per Pupil (AOE/TAPU) ^b				Full Valuation Per Pupil (FV/WTAPU) ^c			
		Lowest District	Region Average	Highest District	Ratio of Highest to Lowest	Lowest District	Region Average	Highest District	Ratio of Highest to Lowest
Rensselaer-Columbia	22	1,244	\$1,494	\$1,756	1.4	\$29,988	\$ 4,353	\$78,524	2.6
Rockland	8	2,013	2,202	2,683	1.3	54,962	68,915	98,413	1.8
St. Lawrence	19	1,200	1,479	2,157	1.8	16,624	32,151	113,728	6.8
Saratoga-Warren	11	1,208	1,419	1,610	1.3	29,949	37,959	59,675	2.0
Schuyler-Chemung-Tioga	7	1,289	1,503	1,683	1.3	26,200	37,464	48,118	1.8
Steuben-Allegany	18	1,079	1,430	1,719	1.6	19,731	35,879	65,837	3.3
Suffolk 1	22	1,808	2,398	7,711	4.3	101,465	180,955	595,806	5.9
Suffolk 2	25	1,407	1,906	2,849	2.0	28,177	43,078	149,278	5.3
Suffolk 3	18	1,499	2,212	2,968	2.0	31,875	50,933	92,487	2.9
Sullivan	10	1,508	1,735	2,005	1.3	60,548	85,479	146,162	2.4
Tompkins-Seneca-Tioga	8	1,226	1,538	1,737	1.4	24,772	49,359	85,694	3.5
Ulster	8	1,411	1,675	1,917	1.4	36,970	57,201	89,823	2.4
Washington-Warren-									
Hamilton	21	1,265	1,521	2,947	2.3	25,607	47,826	165,624	6.5
Westchester 2	28	1,851	2,443	4,188	2.3	56,455	92,274	385,000	6.8
New York City	1	---	2,163 ^d	---		----	72,011 ^d	---	

FOOTNOTES

APPENDIX TABLE A-5

- a Boards of Cooperative Educational Services (BOCES) are intermediate districts headed by a district superintendent. Districts which do not presently belong to a BOCES have been included in the BOCES where they are located. New York City is shown as a single unit in this table.
- b 1977-78 district approved operating expense per pupil (AOE/TAPU) was calculated by dividing the total 1977-78 district approved operating expense by the district's 1977-78 total aidable pupil units.
- c 1976 full valuation divided by 1976-77 wealth total aidable pupil units (FV/WTAPU) will be the basis of aid apportionment in the 1978-79 school year.
- d New York City aid claim data, as reported in August 1978, shows an average AOE/TAPU of \$1,859 and an average FV/WTAPU of \$70,377.

SOURCE: Data derived from New York State Education Department tape of June 19, 1978.

APPENDIX TABLE A-6

SCHOOL DISTRICT FULL VALUATION TAX RATES PER \$1,000 AS COMPUTED FOR HIGH TAX RATE APPORTIONMENT AID,
1978-79 SCHOOL YEAR

BOCES Region ^a	Number of Dists. ^b	Tax Rate Per \$1,000 of Full Valuation ^c				
		Lowest District	Region Average	Highest District	Ratio of Highest to Lowest	Difference Between Highest and Lowest Districts
Albany-Schenectady- Schoharie	26	\$10.61	\$19.70	\$24.33	2.3	\$13.72
Allegany	13	10.87	15.20	19.61	1.8	8.74
Broome	15	11.23	19.10	22.35	2.0	11.12
Cattaraugus-Erie-Wyoming	13	14.05	17.90	22.08	1.6	8.03
Cayuga	7	13.42	21.10	25.46	1.9	12.04
Chautauqua	19	15.91	18.80	22.08	1.4	6.17
Clinton-Essex	18	9.72	15.70	20.18	2.1	10.46
Cortland	6	10.45	15.20	22.20	2.1	11.75
Delaware-Chenango- Madison-Otsego	19	9.30	14.70	19.40	2.1	10.10
Dutchess	13	15.59	19.60	24.27	1.6	8.68
Erie 1	22	14.52	19.30	24.59	1.7	10.07
Erie 2	9	13.63	19.70	23.01	1.7	9.38
Franklin	9	12.46	16.20	25.06	2.0	12.60
Genesee-Wyoming	10	12.21	16.80	20.04	1.6	7.83
Greene 2-Delaware- Schoharie-Otsego	21	10.85	14.30	18.62	1.7	7.77

APPENDIX TABLE A-6 (Continued)

BOCES Region ^a	Number of Dists. ^b	Tax Rate Per \$1,000 of Full Valuation ^c				
		Lowest District	Region Average	Highest District	Ratio of Highest to Lowest	Difference Between Highest and Lowest Districts
Hamilton-Fulton-Montgomery	14	\$10.27	\$15.10	\$19.36	1.9	\$ 9.09
Herkimer-Fulton-Hamilton	13	10.21	14.60	19.24	1.9	9.03
Jefferson-Lewis	18	10.41	17.30	22.15	2.1	11.74
Livingston-Steuben-Wyoming	12	11.63	15.60	19.81	1.7	8.18
Madison-Oneida	10	10.28	14.60	19.20	1.9	8.92
Monroe 1	11	20.25	23.20	28.14	1.4	7.89
Monroe 2	9	21.71	23.40	27.13	1.2	5.42
Nassau	56	19.06	26.00	39.30	2.1	20.24
Oneida-Hamilton-Herkimer	14	11.91	18.00	21.08	1.8	9.17
Onondaga-Madison	20	15.08	21.00	26.34	1.7	11.26
Ontario-Seneca-Wayne-Yates	26	12.24	17.70	29.30	2.4	17.12
Orange-Ulster-Sullivan	17	10.26	18.20	23.89	2.3	13.63
Orleans-Niagara	13	15.56	20.10	23.44	1.5	7.88
Oswego	9	10.90	15.40	18.91	1.7	8.01
Putnam-Westchester 1	18	13.44	25.40	35.73	2.7	22.29
Rensselaer-Columbia	22	12.24	17.50	24.49	2.0	12.25
Rockland	8	20.46	25.00	28.93	1.4	8.47
St. Lawrence	19	12.15	18.10	25.85	2.1	13.70
Saratoga-Warren	11	12.55	17.00	21.56	1.7	9.01
Schuyler-Chemung-Tioga	7	13.13	16.80	18.61	1.4	5.48

APPENDIX TABLE A-6 (Continued)

BOCES Region ^a	Number of Dists. ^b	Tax Rate Per \$1,000 of Full Valuation ^c				
		Lowest District	Region Average	Highest District	Ratio of Highest to Lowest	Difference Between Highest and Lowest Districts
Steuben-Allegany	18	\$11.28	\$17.10	\$20.33	1.8	\$ 9.05
Suffolk 1	22	7.24	13.50	22.75	3.1	15.51
Suffolk 2	25	20.67	28.40	33.89	1.6	13.22
Suffolk 3	18	22.99	30.20	35.06	1.5	12.07
Sullivan	10	11.48	16.00	22.82	2.0	11.34
Tompkins-Seneca-Tioga	8	12.57	18.30	20.21	1.6	7.64
Ulster	8	18.14	20.00	23.85	1.3	5.71
Washington-Warren-Hamilton	21	12.08	16.10	22.48	1.9	10.40
Westchester 2	28	12.56	23.90	32.38	2.6	19.82
New York City	1	---	20.00	---	---	---
TOTAL STATE	705	\$ 7.24	\$21.40 ^d	\$39.30	5.4	\$32.06

^a Boards of Cooperative Educational Services (BOCES) are intermediate districts headed by a district superintendent. Districts which do not presently belong to a BOCES have been included in the BOCES region in which where they are geographically located. New York City is shown as a single unit in this table.

^b The number of major school districts in each BOCES region (including noncomponent districts) is shown in this column.

^c The tax rates shown in this table are those used for apportionment of 1978-79 high tax aid. The 1977-78 local levy for school purposes, other than library purposes and exclusive of any balances in the general fund at the end of the 1977-78 school year, is divided by the district's 1976 full valuation.

^d The 1977-78 local levy for all major school districts in the State as described in footnote c was divided by the 1976 full valuation for all major school districts to obtain the State average tax rate.

APPENDIX B: STATISTICAL TABLES

Text references to the tables in Appendix B are found in the fourth chapter of this report, Discussion of Possible Regional Tax Base Model.

All of the statistical data which are reported in this Appendix relate to 1978-79 current law formula factors and are based on a district-by-district computer tape of June 19, 1978 supplied to the New York State Budget Division by the State Education Department.

All footnotes for tables in this Appendix appear at the bottom of the table or on the page immediately following the table.

Names for BOCES regions vary depending upon the source. For purposes of this report, the name of each BOCES region was taken from Table 4 of the State Education Department's Code Manual for Public School Districts of New York State, 1976-77.

APPENDIX TABLE B-1

METHODOLOGY FOR COMPUTATION OF 1978-79 FORMULA OPERATING AID UNDER CURRENT LAW AND REGIONAL MODEL

Formula Option ^a	1976-77 Full Valuation Per Pupil (FV/WTAPU) ^b	Current Law ^c	Regional Model ^d
<u>Two-Tier Aid Ratio</u>			
<u>Formula</u>			
<u>Tier 1</u>	Less than \$86,000	$\left[1.000 - \left(\frac{\text{Dist. FV/WTAPU}^e}{\$59,000^f} \times .51 \right) \right]$ $\times \$1,450 \times \text{Dist. TAPU}^g$	$\left[1.000 - \left(\frac{\text{Region FV/WTAPU}^h}{\$59,000^f} \times .51 \right) \right]$ $\times \$1,450 \times \text{Region TAPU}^i$
<u>Tier 2</u>	Less than \$73,750	$\left[1.000 - \left(\frac{\text{Dist. FV/WTAPU}^e}{\$59,000^f} \times .80 \right) \right]$ $\times (\$1,500^j - \$1,450)$ $\times \text{District TAPU}^g$	$\left[1.000 - \left(\frac{\text{Region FV/WTAPU}^h}{\$59,000^f} \times .80 \right) \right]$ $\times (\$1,600^k - \$1,450)$ $\times \text{Region TAPU}^i$
<u>Flat Grant Taper</u>	\$86,000 to \$100,999	$\left[\$360 + .001 \left(\$101,000 - \text{Dist FV/WTAPU}^e \right) \right]$ $\times \text{Dist. TAPU}^g$	$\left[\$360 + .001 \left(\$101,000 - \text{Region}^h \text{FV/WTAPU} \right) \right]$ $\times \text{Region TAPU}^i$
<u>Minimum Guarantee</u> <u>("Flat Grant")</u>	\$101,000 or More	$\$360 \times \text{District TAPU}^g$	$\$360 \times \text{Region TAPU}^i$

FOOTNOTES

APPENDIX TABLE B-1

- a Under current law each school district receives aid under the formula aid option which produces the highest level of formula aid for that district. The same approach has been used in the calculation of the proposed regional aid.
- b The wealthiest districts/regions (1976-77 FV/WTAPU greater than \$101,000) would benefit most in the 1978-79 school year from the "flat grant" of \$360 per pupil; moderately wealthy districts/regions (1976-77 FV/WTAPU between \$86,000 and \$101,000) from the taper guarantee; and all other districts/regions from the two-tier aid ratio formula. Only districts/regions with a 1976-77 FV/WTAPU of less than \$73,750 would receive Tier 2 aid under the two-tier formula as it will operate in the 1978-79 school year.
- c Using estimated 1978-79 formula operating aid data, 598 districts would receive aid under the two-tier formula, 35 under the flat grant taper, and 71 under the minimum guarantee.
- d Under the regional model, 42 regions would receive aid under the two-tier aid ratio formula, one under the minimum flat grant (Suffolk 1), and one under the flat grant taper (Westchester 2). The formulas used by the New York City boroughs would remain the same as under current law.
- e Individual district wealth per pupil was calculated by dividing the 1976 full valuation (FV) of taxable real property by 1976-77 Wealth Total Aidable Pupil Units (WTAPU). The WTAPU measure includes all public school pupils residing in the school district with weightings pursuant to the provisions of Chapter 74 of the Laws of 1978. All half-day kindergarten pupils are weighted .50 and all full-day kindergarten through grade 12 pupils are weighted 1.00. Additional weightings are also provided for pupils with handicapping conditions, 1.00; for elementary pupils with special educational needs, 0.25; for secondary pupils with special educational needs, 0.40, and other secondary pupils exclusive of those weighted as PSEN or handicapped pupils, 0.25. Thus, for example, a handicapped pupil has a total weighting of 2.00.
- f State average wealth per pupil. Total State 1976 FV (Full Valuation) divided by total State 1976-77 WTAPU (Wealth Total Aidable Pupil Units).

FOOTNOTES

APPENDIX TABLE B-1 (Continued)

g Pupils who attended school in the district (or region) in the 1977-78 school year are included in the TAPU (Total Aidable Pupil Units) measure and are weighted pursuant to the provisions of Chapter 74. All half-day kindergarten pupils are weighted .50 and all full-day kindergarten through grade 12 pupils are weighted 1.00. Additional weightings are also provided as follows: pupils with handicapping conditions, 1.00; elementary pupils with special educational needs, 0.25, secondary pupils with special educational needs, 0.40, other secondary pupils exclusive of handicapped and PSEN pupils, 0.25, evening school pupils, 0.50; and summer school pupils, 0.12.

h 1976-77 Average BOCES region full value per pupil was calculated as follows:

$$\frac{\text{Total 1976 FV (Full Value) of Major School Districts in Region}}{\text{Total 1976-77 WTAPU (Wealth Total Aidable Pupil Units) of Major School Districts in Region}}$$

i Region 1977-78 TAPU (Total Aidable Pupil Units) equals the sum of 1977-78 TAPU for all major school districts located within the region.

j The maximum Tier 2 ceiling. The Tier 2 ceiling is either \$1,500 or the district's 1977-78 AOE/TAPU, whichever is less. Districts with a 1977-78 AOE/TAPU of less than \$1,450 will not receive Tier 2 aid.

k The maximum Tier 2 ceiling. The Tier 2 ceiling is either \$1,600 or the region's average 1977-78 AOE/TAPU, whichever is less. Regions with an average 1977-78 AOE/TAPU less than \$1,450 would not receive Tier 2 aid.

$$\text{1977-78 Region Average AOE/TAPU} = \frac{\text{Total 1977-78 AOE (Approved Operating Expenditures) of Major School Districts in Region}}{\text{Total 1977-78 TAPU (Total Aidable Pupil Units) of Major School Districts in Region}}$$

APPENDIX TABLE B-2

1978-79 FORMULA OPERATING AID FOR BOCES REGIONS GROUPED ACCORDING TO AVERAGE APPROVED OPERATING EXPENSE PER PUPIL, CURRENT LAW AND REGIONAL MODEL

BOCES Region ^a	1977-78	1976-77	1978-79 Formula Operating Aid			
	Average	Average	Regional			
	Approved	Full	Current Law (Tier 2=\$1,500) ^d	Model (Tier 2=\$1,600) ^e	Change	
	Operating Expense Per Pupil (AOE/TAPU) ^b	Valuation Per Pupil (WTAPU) ^c			Amount	Percent
A. AVERAGE 1977-78 APPROVED OPERATING EXPENSE PER PUPIL OF LESS THAN \$1,450						
Allegany	\$1,317	\$32,704	\$11,101,664	\$11,127,249	+ \$ 25,585	+0.2%
Madison-Oneida	1,338	28,737	31,127,175	31,063,910	- 63,265	-0.2
Herkimer-Fulton- Hamilton	1,347	32,615	18,618,127	18,478,828	- 139,299	-0.7
Cortland	1,402	39,234	10,750,586	10,658,326	- 92,260	-0.9
Franklin	1,405	40,211	13,207,911	12,967,768	- 240,143	-1.8
Oneida-Hamilton-Herkimer	1,409	34,881	36,542,341	36,405,194	- 137,147	-0.4
Saratoga-Warren	1,419	37,959	35,799,076	35,553,375	- 245,701	-0.7
Oswego	1,427	44,963	28,908,032	26,340,352	-2,567,680	-8.9
Steuben-Allegany	1,430	35,879	26,414,591	26,214,000	- 202,591	-0.8
Livingston-Steuben- Wyoming	1.441	39,759	18,721,892	18,595,416	- 126,476	-0.7
B. AVERAGE 1977-78 APPROVED OPERATING EXPENSE PER PUPIL FROM \$1,451 TO \$1,600						
Cattaraugus-Erie-Wyoming	\$1,452	\$33,400	\$20,942,632	\$20,781,894	-\$ 160,738	-0.8%
Genesee-Wyoming	1,459	38,114	17,596,543	17,618,752	+ 22,209	+0.1
Delaware-Chenango- Madison-Otsego	1,464	41,774	23,052,987	22,147,116	- 905,871	-3.9
Hamilton-Fulton- Montgomery	1,470	40,955	22,776,118	22,299,956	- 476,162	-2.1
St. Lawrence	1,479	32,152	30,362,986	30,273,992	- 88,994	-0.3
Oneida-Seneca-Wayne- Yates	1,493	41,695	52,198,618	52,535,164	+ 336,546	+0.6
Rensselaer-Columbia	1,494	46,353	44,343,694	44,622,504	+ 278,810	+0.6

APPENDIX TABLE B-2 (Continued)

BOCES Region ^a	1977-78	1976-77	1978-79 Formula Operating Aid			
	Average	Average	Regional			
	Approved	Full	Current Law (Tier 2=\$1,500) ^d	Model (Tier 2=\$1,600) ^e	Change	
	Operating Expense Per Pupil (AOE/TAPU) ^b	Valuation Per Pupil (WTAPU) ^c			Amount	Percent
B. AVERAGE 1977-78 APPROVED OPERATING EXPENSE PER PUPIL FROM \$1,451 TO \$1,600 (Continued)						
Schuyler-Chemung-Tioga	\$1,503	\$37,464	\$28,514,993	\$28,865,655	+\$ 350,662	+ 1.2
Clinton-Essex	1,509	37,339	25,500,904	25,387,032	- 113,872	- 0.4
Jefferson-Lewis	1,513	35,804	30,544,127	30,509,204	- 34,923	- 0.1
Washington-Warren- Hamilton	1,521	47,826	25,432,346	24,420,768	- 1,011,578	- 4.0
Chautauqua	1,535	39,918	32,576,284	33,267,960	+ 691,678	+ 2.1
Broome	1,537	38,464	56,823,969	58,436,580	+ 1,612,611	+ 2.8
Tompkins-Seneca-Tioga	1,538	49,359	15,675,959	16,080,036	+ 404,077	+ 2.6
Greene 2	1,541	64,518	10,634,434	9,574,939	- 1,059,495	-10.0
C. AVERAGE 1977-78 APPROVED OPERATING EXPENSE PER PUPIL FROM \$1,601 TO \$2,000						
Orange-Ulster-Sullivan	\$1,601	\$55,625	\$51,087,735	\$49,346,560	-\$1,741,175	- 3.4
Erie 2	1,611	40,418	28,717,537	30,001,606	+ 1,284,069	+ 4.5
Onondaga-Madison	1,641	42,507	99,100,096	103,462,520	+ 4,362,424	+ 4.4
Dutchess	1,641	52,498	43,671,994	45,183,520	+ 1,511,526	+ 3.5
Cayuga	1,645	33,189	17,059,733	18,050,184	+ 990,451	+ 5.8
Orleans-Niagara	1,646	38,152	57,926,073	61,058,340	+ 3,132,267	+ 5.4
Albany-Schenectady- Schoharie	1,669	56,838	66,359,729	67,548,081	+ 1,188,352	+ 1.8
Ulster	1,675	57,201	24,677,578	24,988,452	+ 310,874	+ 1.3
Sullivan	1,735	85,479	6,366,247	4,897,059	- 1,469,188	-23.1
Erie 1	1,736	48,881	150,117,216	154,744,330	+ 4,627,114	+ 3.1
Monroe 2	1,823	50,629	36,801,493	38,154,354	+ 1,352,861	+ 3.7
Suffolk 2	1,906	43,078	170,796,445	177,367,410	+ 6,570,965	+ 3.8

APPENDIX TABLE B-2 (Continued)

BOCES Region ^a	1977-78	1976-77	1978-79 Formula Operating Aid			
	Average	Average	Regional			
	Approved	Full	Current Law (Tier 2=\$1,500) ^d	Model (Tier 2=\$1,600) ^e	Change	
	Operating	Valuation			Amount	Percent
	Expense					
	Per Pupil	Per Pupil				
	(AOE/TAPU) ^b	(WTAPU) ^c				
<u>D. AVERAGE 1977-78 APPROVED OPERATING EXPENSE PER PUPIL ABOVE \$2,001</u>						
Monroe 1	\$2,022	\$57,730	\$ 73,007,912	\$ 74,916,505	+\$1,908,593	+ 2.6
Rockland	2,202	68,915	35,899,145	35,360,680	- 538,465	- 1.5
Suffolk 3	2,212	50,933	112,476,779	116,549,429	+ 4,072,650	+ 3.6
Putnam-Westchester 1	2,299	77,426	38,872,439	30,404,441	- 8,467,998	-21.8
Suffolk 1	2,398	180,955	7,752,530	7,752,600	+ 70	0.0
Westchester 2	2,443	92,274	51,261,779	43,331,632	- 7,930,147	-15.5
Nassau	2,528	74,525	165,332,340	143,771,532	-21,560,808	-13.0

FOOTNOTES

APPENDIX TABLE B-2

- a Boards of Cooperative Educational Services (BOCES) are intermediate districts headed by a district superintendent and provide special educational programs and services to member districts. Districts which do not presently belong to a BOCES have been included in the BOCES where they are located.

- b 1977-78 Average AOE/TAPU for each BOCES region has been calculated as follows:

$$\frac{\text{Total 1977-78 AOE (Approved Operating Expenditures) of Major School Districts in Region}}{\text{Total 1977-78 TAPU (Total Aidable Pupil Units) of Major School Districts in Region}}$$

The data for these calculations were obtained from a State Education Department computer tape of June 19, 1978.

- c 1976-77 Average Full Value Per Pupil (WTAPU) for each BOCES region has been calculated as follows:

$$\frac{\text{Total 1976 FV (Full Valuation) of Major School Districts in Region}}{\text{Total 1976-77 WTAPU (Wealth Total Aidable Pupil Units) of Major School Districts in Region}}$$

The data for these calculations were obtained from a State Education Department computer tape of June 19, 1978.

- d Under current law districts receive Tier 2 aid for expenditures between \$1,450 and \$1,500. Under current law aid shown in this column is the sum of the formula operating aid for all major school districts in the region.

- e Under the regional model, each region was treated as a single district for the calculation of formula operating aid. Appendix Table B-1 explains the method that was used. Regions receive Tier 2 aid for average per pupil expenditures between \$1,450 and \$1,600.

APPENDIX TABLE B-3

1978-79 CURRENT LAW FORMULA AND PAYABLE OPERATING AIDS AND REGIONAL MODEL FORMULA AID
FOR THE 23 BOCES REGIONS SHOWING FORMULA AID LOSSES IN APPENDIX TABLE B-2

BOCES Region ^a	1977-78	1978-79 Tax Base			Difference From Current	
	Average	Approach			Payable to Regional	
	Operating	(Formula Aid)			Formula Aid ^f	
	Expense	1978-79 Current Law				
	Per Pupil ^b	Formula Aid ^c	Payable Aid ^d	(Tier 2=\$1,600) ^e	Amount	Percent
A. BOCES REGIONS IN WHICH 1978-79 CURRENT LAW FORMULA OPERATING AID EXCEEDS PAYABLE AID						
Madison-Oneida	\$ 1,338	\$31,127,175	\$29,755,977	\$31,063,910	+\$1,307,933	+ 4.4%
Herkimer-Fulton-Hamilton	1,347	18,618,127	17,782,536	18,478,828	+ 696,292	+ 3.9
Cortland	1,402	10,750,586	10,425,359	10,658,326	+ 232,967	+ 2.2
Oneida-Hamilton-Herkimer	1,409	36,542,341	34,292,594	36,405,194	+ 2,112,600	+ 6.2
Saratoga-Warren	1,419	35,799,076	34,442,247	35,553,375	+ 1,111,128	+ 3.2
Oswego	1,427	28,908,032	27,712,837	26,340,352	- 1,372,485	- 5.0
Steuben-Allegany	1,430	26,414,591	26,274,348	26,214,000	- 60,348	- 0.2
Livingston-Steuben-Wyoming	1,441	18,721,892	18,065,150	18,595,416	+ 530,266	+ 2.9
Cattaraugus-Erie-Wyoming	1,452	20,942,632	20,179,172	20,781,894	+ 602,722	+ 3.0
Hamilton-Fulton-Montgomery	1,470	22,776,118	21,846,543	22,299,956	+ 453,413	+ 2.1
St. Lawrence	1,479	30,362,986	29,453,715	30,273,992	+ 820,277	+ 2.8
Clinton-Essex	1,509	25,500,904	25,296,265	25,387,032	+ 90,767	+ 0.4
Jefferson-Lewis	1,513	30,544,127	29,893,287	30,509,204	+ 615,917	+ 2.1
Washington-Warren-Hamilton	1,521	25,432,346	24,954,559	24,420,768	- 533,791	- 2.1
Orange-Ulster-Sullivan	1,601	51,087,735	47,687,637	49,346,560	+ 1,658,923	+ 3.5
Putnam-Westchester 1	2,299	38,872,439	37,879,274	30,404,441	- 7,474,833	-19.7

APPENDIX TABLE B-3 (Continued)

BOCES Region ^a	1977-78	1978-79 Tax Base			Difference From Current	
	Average	Approach			Payable to Regional	
	Approved	Formula Aid			Formula Aid ^f	
Operating Expense	Per Pupil ^b	1978-79 Current Law	1978-79 Current Law	(Tier 2=\$1,600) ^e	Amount	Percent
		Formula Aid ^c	Payable Aid ^d			
B. BOCES REGIONS IN WHICH 1978-79 CURRENT LAW PAYABLE OPERATING AID EXCEEDS FORMULA AID						
Franklin	\$ 1,405	\$13,207,911	\$13,434,048	\$12,967,768	-\$ 466,280	- 3.5%
Delaware-Chenango-						
Madison-Otsego	1,464	23,052,987	23,214,941	22,147,116	- 1,067,825	- 4.6
Greene 2	1,541	10,634,434	11,708,830	9,574,939	- 2,133,891	-18.2
Sullivan	1,735	6,366,247	7,327,774	4,897,059	- 2,430,715	-33.2
Rockland	2,202	35,899,145	39,017,868	35,360,680	- 3,657,188	- 9.4
Westchester 2	2,443	51,261,779	52,465,441	43,331,632	- 9,133,809	-17.4
Nassau	2,528	165,332,340	182,463,592	143,771,532	-38,692,060	-21.2

FOOTNOTES

APPENDIX TABLE B-3

- a Boards of Cooperative Educational Services (BOCES) are intermediate districts headed by a district superintendent and provide special educational programs and services to member districts. Districts which do not presently belong to a BOCES have been included in the BOCES where they are located.
- b 1977-78 average AOE/TAPU for each BOCES region was calculated as follows:

$$\frac{\text{Total 1977-78 AOE (Approved Operating Expenditures) of Major School Districts in Region}}{\text{Total 1977-78 TAPU (Total Aidable Pupil Units) of Major School Districts in Region}}$$
- c 1978-79 formula operating aid for each BOCES region is the total of the current law formula operating aid for all districts located in the region.
- d Region 1978-79 payable operating aid for each BOCES region is the total of the current law payable operating aid for all districts located in the region.
- e Under the regional model, each region was treated as a single district for the calculation of formula operating aid. Appendix Table B-1 explains how this was done. Regions would receive Tier 2 aid for average per pupil expenditures between \$1,450 and \$1,600. Under current law, the Tier 2 ceiling is \$1,500.
- f This column was calculated by subtracting 1978-79 current law payable aid from 1978-79 regional formula aid.

APPENDIX TABLE B-4

1978-79 CURRENT LAW PAYABLE AND FORMULA OPERATING AIDS FOR MAJOR SCHOOL DISTRICTS WITH MORE THAN \$115,700 FULL VALUATION PER PUPIL (WTAPU), BY COUNTY AND GEOGRAPHIC AREA

County and Major School District ^a	1976-77 Full Valuation Per Pupil (FV/WTAPU) ^b	1977-78 Pupils (TAPU) ^c	1978-79 Operating Aid	
			Payable Aid ^d	Formula Aid ^e
A. SCHOOL DISTRICTS LOCATED IN VACATION AREAS ^f				
<u>Delaware</u>		<u>553</u>	<u>\$ 201,647</u>	<u>\$ 199,080</u>
Downsville	\$ 196,959	553	201,647	199,080
<u>Essex</u>		<u>1,173</u>	<u>611,415</u>	<u>424,937</u>
Minerva	120,177	254	133,860	91,440
Schroon Lake	122,887	505	217,412	181,800
Newcomb	126,603	246	170,200	91,217
Keene	226,020	168	89,943	60,480
<u>Greene</u>		<u>670</u>	<u>257,289</u>	<u>241,200</u>
Hunter Tannersville	169,581	670	257,289	241,200
<u>Hamilton</u>		<u>988</u>	<u>406,150</u>	<u>359,846</u>
Wells	152,611	263	100,122	98,846
Indian Lake	165,624	375	161,603	135,000
Long Lake	188,956	211	85,086	75,960
Lake Pleasant	221,546	139	59,339	50,040
<u>Herkimer</u>		<u>572</u>	<u>210,947</u>	<u>205,920</u>
Town of Webb	201,201	572	210,947	205,920
<u>Suffolk</u>		<u>12,237</u>	<u>4,727,043</u>	<u>4,442,252</u>
Hampton Bays	116,632	1,645	603,288	592,200
East Quogue	116,855	284	117,788	102,240
Mattituck	136,420	1,513	599,340	569,398
Southhold	156,179	1,004	422,742	361,440
West Hampton Beach	180,750	1,690	638,349	608,400
Renssensburg	187,111	154	58,247	56,771
Sag Harbor	193,067	773	296,528	278,280
Springs	208,353	352	130,792	127,987
Oysterponds	220,391	104	42,746	37,440
Bridgehampton	227,583	272	126,469	97,920
Southampton	247,328	1,793	660,407	645,480
Tuckahoe	254,986	142	61,256	51,120

APPENDIX TABLE B-4 (Continued)

County and Major School District ^a	1976-77 Full Valuation Per Pupil ^b (FV/WIAPU) ^b	1977-78 Pupils ^c (TAPU) ^c	1978-79	
			Operating Aid Payable Aid ^d	Formula Aid ^e
A. SCHOOL DISTRICTS LOCATED IN VACATION AREAS ^f (Continued)				
Suffolk (continued)				
East Hampton	\$ 319,893	1,701	\$ 619,096	\$ 619,096
Quoque	368,866	80	41,412	28,800
Shelter Island	371,888	300	112,351	111,240
Montauk	412,466	254	100,892	91,440
Amagansett	505,741	112	56,855	40,320
Fishers Island	595,806	64	30,485	22,680
Sullivan		1,835	692,361	660,600
Eldred	116,865	663	270,441	238,680
Tri Valley	146,162	1,172	421,920	421,920
Warren		1,977	772,883	711,720
Bolton	117,544	460	179,446	165,600
Lake George	125,562	1,317	509,561	474,120
Hague	131,568	200	83,876	72,000
SUBTOTAL		20,005	\$ 7,879,735	\$ 7,245,555
B. SCHOOL DISTRICTS LOCATED OUTSIDE OF VACATION AREAS ^g				
Albany		444	\$ 176,721	\$ 159,840
Maplewood	\$ 134,765	203	79,143	73,080
Menands	257,105	241	97,578	86,760
Nassau		31,135	12,734,359	11,208,600
Locust Valley	118,829	3,261	1,271,940	1,173,960
Roslyn	120,886	3,634	1,563,360	1,308,240
Garden City	124,197	4,824	1,922,149	1,736,640
Jericho	127,636	2,984	1,417,843	1,074,240
Oyster Bay	141,682	2,204	921,017	793,440
Great Neck	149,213	8,371	3,383,004	3,013,560
North Shore	157,855	3,161	1,212,576	1,137,960
Manhasset	162,196	2,696	1,042,470	970,560
Orange		391	145,919	140,760
Tuxedo	196,708	391	145,919	140,760

APPENDIX TABLE B-4 (Continued)

County and Major School District ^a	1976-77 Full Valuation Per Pupil (FV/WIAPU) ^b	1977-78 Pupils (TAPU) ^c	1978-79	
			Operating Payable Aid ^d	Aid Formula Aid ^e
B. SCHOOL DISTRICTS LOCATED OUTSIDE OF VACATION AREAS ^g (Continued)				
<u>Oswego</u>		<u>5,483</u>	<u>\$ 2,250,752</u>	<u>\$ 1,973,880</u>
Oswego	\$ 123,141	5,483	2,250,752	1,973,880
<u>Schoharie</u>		<u>560</u>	<u>237,615</u>	<u>201,600</u>
Gilboa Conesville	117,074	560	237,615	201,600
<u>Suffolk</u>		<u>5,182</u>	<u>2,110,818</u>	<u>1,959,308</u>
Port Jefferson	149,278	2,523	1,097,388	926,446
Shorham-Wading River	185,377	2,659	1,013,430	1,032,862
<u>Ulster</u>		<u>2,318</u>	<u>861,600</u>	<u>842,825</u>
Marlboro	189,493	2,318	961,600	842,825
<u>Westchester</u>		<u>24,499</u>	<u>9,407,592</u>	<u>8,801,640</u>
Tarrytown	116,560	2,819	1,147,967	1,014,840
Bronxville	123,285	1,464	568,540	527,040
Bedford	127,883	4,428	1,786,725	1,594,080
White Plains	131,818	8,435	3,169,735	3,036,600
Harrison	146,915	3,791	1,416,498	1,364,760
Hendrick Hudson	215,039	3,130	1,158,422	1,126,800
Pocantico Hills	385,000	382	159,705	137,520
<u>SUBTOTAL</u>		<u>70,012</u>	<u>\$27,925,376</u>	<u>\$25,288,453</u>
TOTAL for 57 Districts Over \$115,700 FV/WIAPU (Categories A and B)		<u>90,017</u>	<u>\$35,805,111</u>	<u>\$32,534,008</u>
C. <u>BOROUGH OF MANHATTAN</u>	159,700	148,652	\$ 8,815,605	\$53,514,720
<u>GRAND TOTAL</u>		<u>238,669</u>	<u>\$44,620,716</u>	<u>\$86,048,728</u>

FOOTNOTES

APPENDIX TABLE B-4

- a All of the 57 school districts shown in this table (and the borough of Manhattan) would receive no 1978-79 formula operating aid if the flat grant minimum guarantee of \$360 per pupil and the flat grant taper weren't available. The reason is that the two tier aid ratio formula produces no formula aid per pupil in the 1978-79 school year for a district with a 1976-77 FV/WTAPU exceeding \$115,700.
- b 1976 full valuation divided by 1976-77 wealth total aidable pupil units (FV/WTAPU) is the basis of operating aid apportionment to major districts during the 1978-79 school year.
- c The number of 1977-78 total aidable pupil units (TAPU) determines the formula operating aid apportionment to major school districts during the 1978-79 school year.
- d The 1978-79 school year payable operating aid amount for each district is determined after application of the most favorable maximum aid cap or minimum saveharmless guarantee.
- e Formula operating aid is the actual amount of aid generated by the operating aid formula. 1978-79 formula operating aid is less than 1978-79 payable operating aid for 56 of the 57 districts shown in this table.

APPENDIX C: GEOGRAPHIC INFORMATION

This section presents information on the geographic location of the State's 62 counties, 44 Boards of Cooperative Educational Services (BOCES) and nine Standard Metropolitan Statistical Areas (SMSAs).

GEOGRAPHIC INFORMATION

Three types of geographic groupings are used in this study: counties, Boards of Cooperative Educational Services (BOCES), and Standard Metropolitan Statistical Areas (SMSAs) within New York State.

Counties

New York State has 62 counties, including five counties located within New York City. There is no fixed geographic relationship between school districts and counties. A large number of districts are located in two or more counties. Some districts have territory in as many as four counties.

BOCES Regions

Boards of Cooperative Educational Services (BOCES) were first authorized in New York State in 1948. They were established to supplement teaching services and to provide nonacademic courses for pupils from school districts too small to provide such courses.

Currently, there are 44 BOCES serving 684 major school districts. Current law excludes the Big Five cities from participating in BOCES while 16 other districts have chosen not to become "member districts". For purposes of analysis, however, all of these districts have been placed in the BOCES in which they are geographically located, except in the case of New York City which is treated as a single district. By design BOCES regions were formed so that they are coterminous with the local school districts they serve.

BOCES regions bear the name of the counties that comprise them. Where a county has been subdivided into two or more BOCES districts, the districts will bear the county name followed by a number -- e.g., Suffolk 1. A complete list of the 44 BOCES regions can be found in five of the six tables included in Appendix A of this report (pages 57-58 and pages 61-71).

Standard Metropolitan Statistical Areas (SMSAs)

As defined by the U.S. Bureau of the Census, a standard metropolitan statistical area (SMSA) is a county or group of contiguous counties which contains at least one city of 50,000 inhabitants or more, or "twin cities" with a combined population of at least 50,000. In addition, contiguous counties are included in an SMSA if, according to certain criteria, they are socially and economically integrated with the central city.

In New York State, there are nine SMSAs. They are as follows:

1. Albany-Schenectady-Troy (Albany, Montgomery, Rensselaer, Saratoga and Schenectady counties);

2. Binghamton (Broome and Tioga counties);
3. Buffalo (Erie and Niagara counties);
4. Elmira (Chemung county);
5. Poughkeepsie (Dutchess county);
6. Rochester (Monroe, Ontario, Orleans, Livingston and Wayne counties);
7. Syracuse (Madison, Onondaga and Oswego counties);
8. Utica-Rome (Herkimer and Oneida counties); and
9. New York City (Nassau, Suffolk, Westchester, Rockland and Putnam counties together with New York City itself).

All 31 counties in New York State which are not included in the nine SMSA's are classified as non-metropolitan areas. These counties include some smaller cities, suburban and rural districts.

The following BOCES regions are located within the New York City SMSA: Nassau, Suffolk 1, Suffolk 2, Suffolk 3, Putnam-Westchester 1, Westchester 2, and New York City. The New York City SMSA had 1.8 million pupils¹ in the 1978-79 school year. All major districts in rest of the State had 1.5 million pupils.

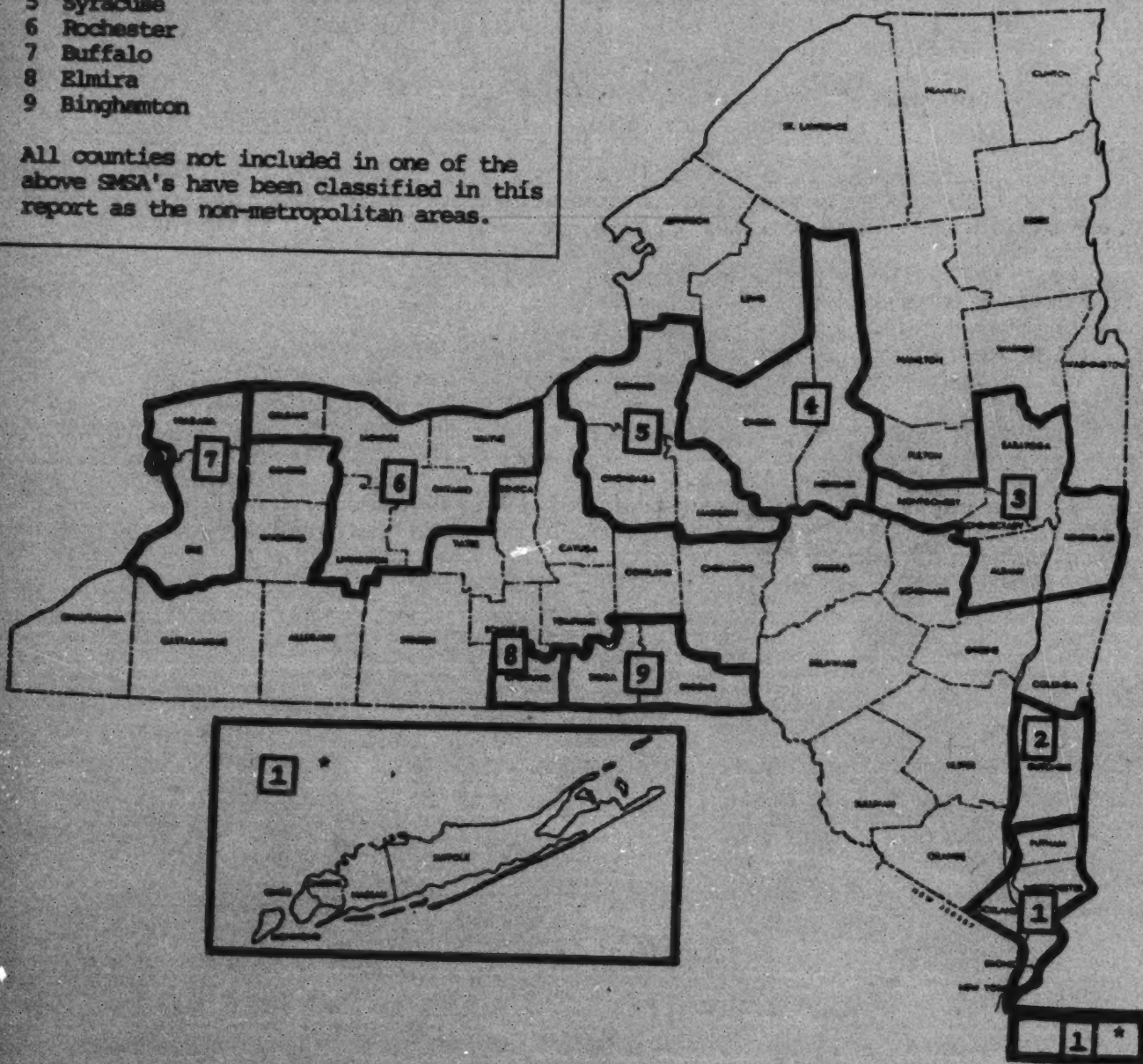
¹ The pupil measure prescribed for 1978-79 operating aid apportionment (1977-78 total aidable pupil unit) was used to calculate these two pupil totals shown in this paragraph.

New York State Map of Standard Metropolitan Statistical Areas

KEY

- 1 New York City
- 2 Poughkeepsie
- 3 Albany-Schenectady-Troy
- 4 Utica-Rome
- 5 Syracuse
- 6 Rochester
- 7 Buffalo
- 8 Elmira
- 9 Binghamton

All counties not included in one of the above SMSA's have been classified in this report as the non-metropolitan areas.



OTHER REPORTS ON SCHOOL FINANCE
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MEASURING THE WEALTH OF SCHOOL DISTRICTS FOR THE
APPORTIONMENT OF AID TO PUBLIC SCHOOLS IN NEW YORK
STATE: FULL VALUATION VS. PERSONAL INCOME, August
1978.

CURRENT COMPONENTS OF NEW YORK STATE'S EDUCA-
TIONAL FINANCE SYSTEM: A REVIEW, October 1977.

INDEX OF PROPERTY TAX NON-UNIFORMITY AMONG
SCHOOL DISTRICTS IN NEW YORK STATE, August 1977.

NEW YORK STATE'S SYSTEM OF SCHOOL FINANCE --
WITH EXAMPLES FROM THE 1975-1976 SCHOOL YEAR,
December 1976.

STATISTICAL APPENDIX TO NEW YORK STATE'S SYSTEM
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EDUCATIONAL FINANCE AND THE NEW YORK STATE REAL
PROPERTY TAX: THE INESCAPABLE RELATIONSHIP,
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